



Nourishing

Com
om
bia

with Opportunities



PERIODIC INTEGRATED REPORT 2022



We declare our Superior Purpose for the future:

Nourishing Colombia with Opportunities

We assume a commitment with

People who are looking for a second opportunity and communities afflicted by violence so that they can find in their projects an option for the future.



Colombian children that deserve to have an opportunity to grow up without chronic malnutrition.



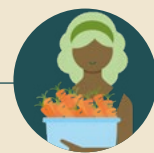
Our employees generating dignified and quality jobs with gender equity, diversity, and inclusion.



A modern business that offers unique experiences to our consumers.



The origin and our farmers who give us the best of our land.



Those who dare to venture into entrepreneurship and motivate us with their innovative experiences.



The preservation of the environment, biodiversity, and its natural resources.



Nourishing Colombia with Opportunities

It is a commitment to the country that saw us born and grow up, to our unwavering values and desire to wake up each day to serve Colombia and its people with love.



Read more about our Superior Purpose by [clicking here](#).

We are driven

by the desire to build a company that promotes the construction of a country, transform realities, the service for and with communities, and respect for the environment.

We are committed to children's nutrition, the development of our suppliers and co-creation with them, the generation of actions aimed at protecting our planet, the promotion of diversity and equity, the democratization of trade in products and healthy habits, and the development of trust-based relationships.



More than

60,000
children

were benefited in **27 departments** and **192 municipalities**, receiving better nutrition for the body and soul



1,000,000
trees

were planted in three of our country's watersheds.



More than

300
families

have benefited from Terrazas Verdes' hydroponic agriculture of vegetables.



86.31%
of our direct

fruit and vegetable purchases are bought from **943 local suppliers** without intermediaries.



We conducted workshops with more than

500
young

talents in Colombia, **on art and culture**, through Pigmentos Urbanos.



I used to see my children every week, and during the weekdays, it was the older ones' responsibility to look after the younger ones. Today, my house has become my workplace, and I am responsible for both my children and my crops. So, we're not selling lettuce; we're selling what's supporting this: the moms, the stories each family has lived; that's what people are buying."

Sol María Luna,
is the first mother to be benefited from "Terrazas Verdes."

Seven tons of food were grown in one year.



Graffiti painted in Éxito Pereira Cubat

Pigmentos Urbanos! It allows us to get closer to the community and discuss what makes us Colombians and brings us together. The transformation through art allows us to show what is going on with our society in a positive way, to tell the stories of the cities through graffiti, and invite everyone to get to know it."



Daniel Quiceno,

"Perro," creator of the Comuna 13 Grafitour in Medellín.

We innovate to transform realities

We take care of the customer's time and strive towards frictionless experiences.

There are

176 self-checkout

points available
around the country.

▲
13.9%
growth
vs. 2021

Smart lockers:

click and collect in **105** lockers in **13**
stores and new pet lockers.



New self-checkout

systems at 58 stores and 177 terminals
bring more agility and include sensors
for a better experience.

70 hours

of live shopping in
over 50 brands.

More than 1,500

start-up initiatives are on the
Marketplace, 75 in alliance
with iNNpulsa Colombia.



We released

our first pet products
in Metaverse.

We introduced new formats.

Éxito Wow

redesigned six stores, opened
five, and now has 30 stores na-
tionwide. This format represen-
ted more than 34.2% of overall
sales for this brand.

Carulla FreshMarket completed

30 stores

in this format, representing over
60% of total sales for the year.

Surtimayorista completed

46 stores.

The brand's sales increased
by 32.7% vs. 2021.

Super Inter Vecino completed

35 stores,

bringing the total number of brand
stores to 60. The Vecino format
represented 70.8% of total sales.

Innovation as a driver for social change

We connect peace actions in the territo-
ries through Paissana, a brand that pro-
motes productive projects from com-
munities affected by the armed conflict,
working hand in hand with the Colombia
en Paz Fund and 37 suppliers.



Café Dabeiba's coffee is one of 114 products of
the Paissana brand.

“

Previously, coffee-
producing families
were forced to migrate
due to violence. We
are now returning to
our territory through
coffee, a product that
promotes peace and
helps the region to
thrive. It's inspiring to
see how, despite our
people's issues, we
can all work together
to create new chances
in life.

”

**Norbeiro de Jesus
Borja**, coffee
producer of the
Coopertaiva de
Occidente Coffee
Growers Coop.



Discover the history of
Café Dabeiba [here](#).

Building trusting relationships with our customers inspires us

Customers are our reason for being; we are motivated by sharing meaningful moments with them and becoming a part of their families after years of tradition. We have a premise: offer customers what he or she wants, when and how they want it while creating a unique, positive, and valuable experience always.



“

I am extremely delighted not only to be able to do my shopping for home, but also to be able to contribute to initiatives as wonderful as planting trees, allowing me to do my part for our world.

”

Beatriz Gutiérrez, a customer who donated the most trees in the #UnÁrbolALaVez campaign.

“

I am pretty lucky to have been a customer for the past 30 years, first with Ley stores and now with Éxito. They have given me a lot of wonderful gifts over this time, one of which was on Mother's Day: I was pretty sad since my son had been transfer to Chile, but when I came to the store, they had prepared a celebration brunch for me, along with messages from my children. It's a moment I'll never forget. Éxito has brought me a lot of joy, and I've had the opportunity to share it with beautiful people. They're the best!

Liliana Ocampo, Éxito's costumer.

”

Omicanality and innovation in the countries where we operate

[GRI 2-1] [GRI 2-2]

COP 99,072
million net incomes.

COP 20.6
billion consolidated operating income

COP 1.7
billion in consolidated recurring EBITDA with an 8.1% EBIT-DA margin level.



Libertad
14 stores

Libertad
33 stores
105.397 m²

Mini Libertad
10 stores

Petit Libertad

Mini MAYORISTA C&C
9 stores

Paseo LIBERTAD
15 shopping Malls

About this Integrated Report



Scope [GRI 2-3]

The results provided in this Integrated Report reflect the Management of Grupo Éxito in Colombia, Uruguay, and Argentina between January 1, 2022, and December 31, 2022, with its multiple companies, brands, and formats. This report is done each year.

Additional information is available at the following websites:

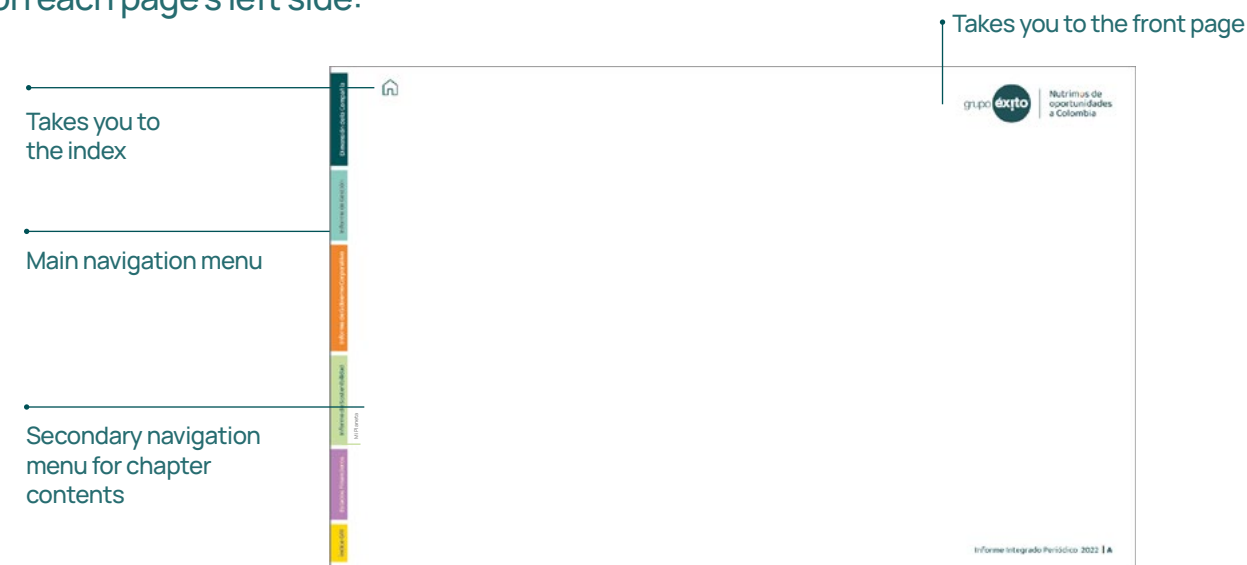
 **Grupo Éxito web site is:** www.grupoexito.com.co

 **Libertad:** www.libertadsa.com.ar

 **Grupo Disco:** www.disco.com.uy

How to navigate this report:

On each page the navigation menu will always be shown on each page's left side:



These buttons indicate there is more content.



General Coordination:
Vice-Presidency of Corporate Affairs and External Communications and Reputation Department.

Conceptualization, architecture, and graphic editing:
Taller de Edición www.tallerdeedicion.co.

Translation
GO BILINGUAL www.gobilingual.co

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Presentation

This Periodic Integrated Report [GRI 2-1] summarizes the key results from 2022. Furthermore, it was built in a transitional manner to the essential compliance, referencing the GRI (Global Reporting Initiative) standards. However, it still needs third-party verification or specified compliance. The report includes indicators that account for how the organization contributes to achieving the 17 Sustainable Development Goals (SDGs) and identifying stakeholder expectations on social, environmental, and economic issues, which can be found in the materiality analysis. El informe se desarrolla en estos cuatro capítulos:

-  Management Report
-  Corporate Governance Report
-  Sustainability Report
-  Financial Statements (separate and consolidated)

Management Report: outlines the company's key highlights for 2022, as well as the results of the company's operations in Colombia, Uruguay, and Argentina.

Corporate Governance Report: contains information regarding the company's commitment to improving its corporate governance standards, new practices introduced, and awards obtained.

Sustainability Report: recognizes the company's sustainable strategy, which contributes to child nutrition, supplier development, environmental protection, healthy habit promotion, employee well-being, and stakeholder trust.

Financial Statements: include consolidated and separate statements of financial position, income statements, statements of comprehensive income, cash flow statements, and accounts of changes in equity, all of which have been audited by KPMG. The notes to the consolidated and separate financial statements are available in the "Shareholders and Investors" section of the company's website, www.grupoexito.com.co.



Brands, businesses, and differential formats in Colombia [GRI 2-6]

Retail

 **209 stores.**
30 Éxito Wow.

 **107 stores.**
30 Carulla FreshMarket.

 **60 stores.**
35 Super Inter Vecino.

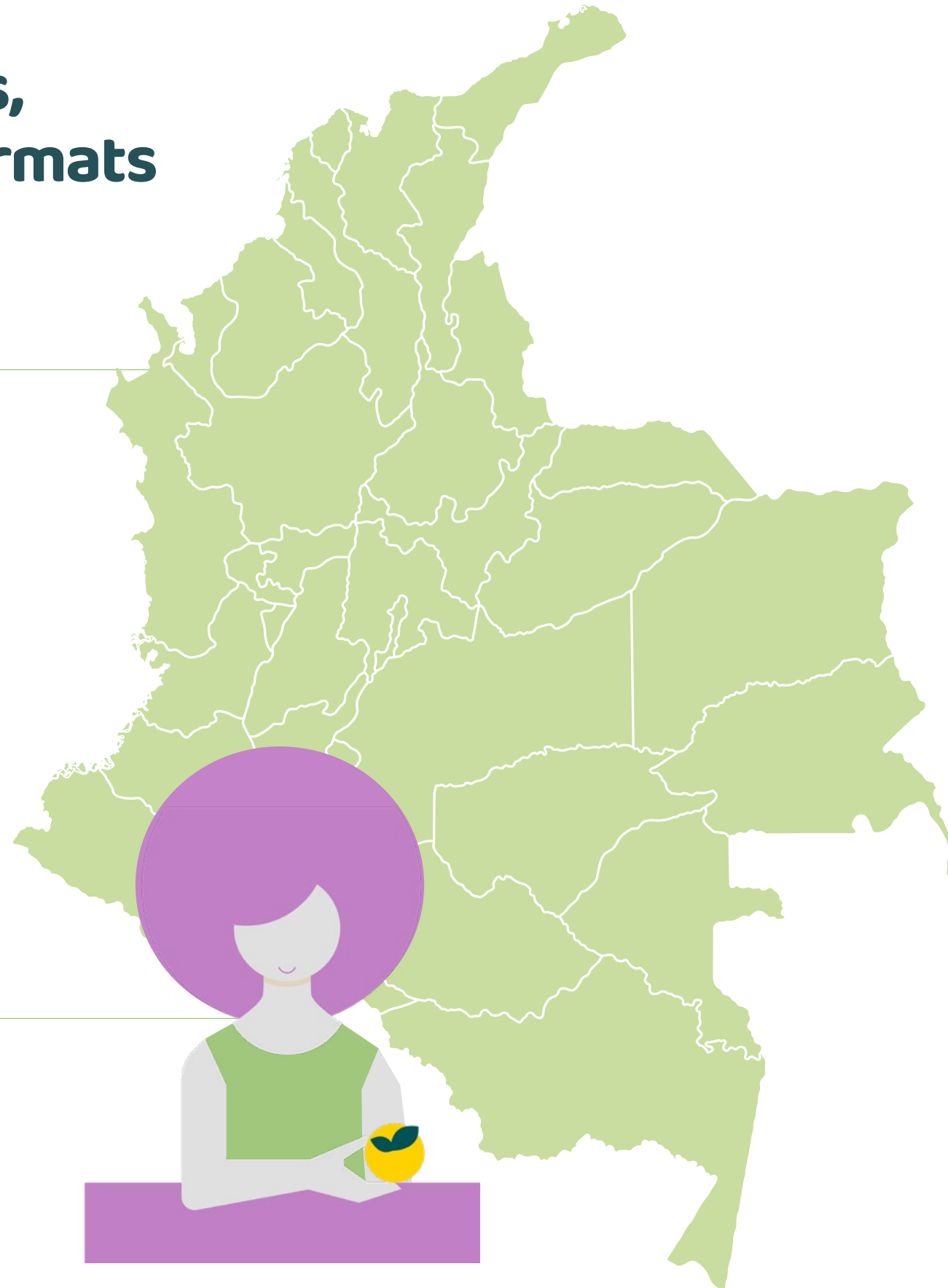
 **70 stores**

Large wholesale and professional customers

 **44 stores.**
6 openings in 2021.

 **1671 aliados.**
More than 20.000 small
market owners registered
in the App







Electronic and direct commerce

Direct commerce

More than **13.3 million** purchase orders
76 darkstores for Turbo Fresh, Carulla and Éxito

 **172 million visitors**
 **900,000 orders**

  **12%** of e-commerce and direct
commerce sales participation

 **1.6 million active downloads**
340,000 orders generated

Compra y recoge **765,000 orders generated**

 **COP 308, 000 million in sales, 17%** of total
omnichannel sales

 **19%** sales increase.

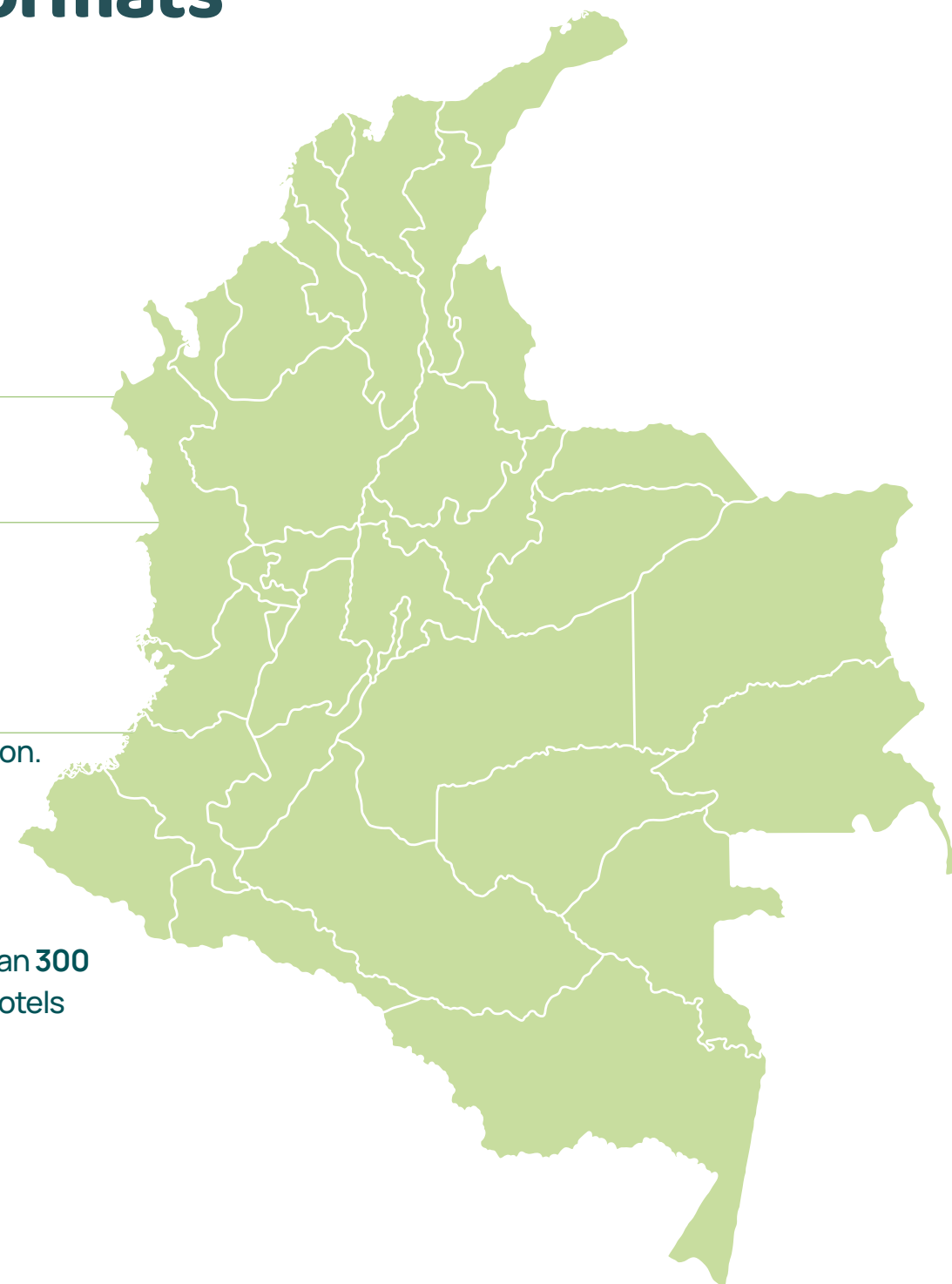
Punto de Entrega More than 1 million of purchases orders
collected on the Puntos de entrega

 **32,000 active users** on the platform
1,5 million commissions delivered

Brands, businesses, and differential formats in Colombia [GRI 2-6]

Traffic monetization:

Complementary businesses that drive better outcomes



Real estate business

17 shopping malls and galleries.
96% occupancy rate.
143 million visitors



Financial business

2.1 million credit cards in circulation.
576,000 new cards in 2021.
Digital channel Tuya Pay .
with more than 1 million users.



Portfolio of services with more than 300 airlines and more than 100,000 hotels worldwide.



More than 541,000 active lines.



More than 415,000 customers.



More than 633,000 national and international transactions.



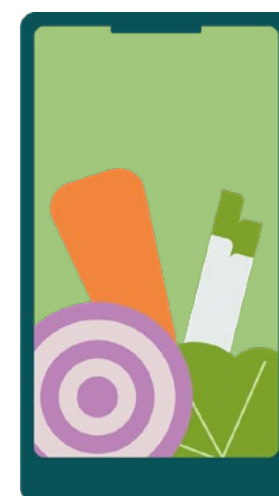
Support to businesses

47 tons of prepared foods
didetexco

More than **9600** jobs were generated in **344** textile and garment manufacturing workshops.



3 million kilometers traveled by the company's vehicles used for logistics and food transportation.
32 electric vehicles
3 natural gas trucks



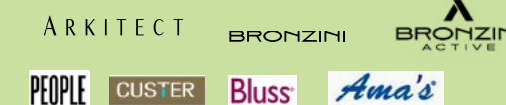
30 CEDIS - Distribution Centers

We have been producing and selling our private labels for more than 60 years [GRI 2-6]

Mass Consumption Food and Products



Textiles



Home and small appliances



Household Toiletries



Personal care



Pets



Audio and video



Management Team

Learn more about our management team here



Carlos Mario Giraldo Moreno
Chief Executive Officer



Jacky Yanovich Mizrahi
Chief Operating Officer



Ivonne Windmueller Palacio
Chief Financial Officer



Carlos Ariel Gómez Gutiérrez
Commercial and Supplying Vice-President



Claudia Campillo Velásquez
Vice-President of Corporate Affairs and General Counsel



Juan Felipe Montoya
Vice-President of Human Resources



José Gabriel Loaiza Herrera
Vice-President of Omnichannel and Innovation



Lucas López Lince
Vice-President of Marketing



Camilo Alberto Gallego Ferrer
Vice-President of Services



Juan Lucas Vega Palacio
Real Estate Vice-President



Jorge Jaller Jaramillo
Retail Vice-President



Dora Lopera Velásquez
Internal Audit Director

We provide channels for continuous communication with our stakeholders

[GRI 2-12][GRI 2-16] [GRI 2-29]



Materiality Analysis

[GRI 3-1] The materiality analysis is a method that allows us to identify the most important and interesting topics for the organization in areas related to social, environmental, economic, and corporate governance matters. Material issues are measured and quantified every two years to respond to the constant change in the environment, market dynamics, stakeholder expectations, global standards, megatrends, and sustainability evaluation organizations concerning issues that may influence their relationship with the company.

This year, for the first time in the company, we conducted the exercise using the “**Double Materiality**” method, which provided us with a greater understanding of what stakeholders think is necessary. In addition, this technique enabled us to create time frames to assess issues that will be critical in the near, medium, and long term. As a result, the company’s initiatives are aligned with the materiality and topics prioritized by the various stakeholders **[GRI 2-29]**.

The Sustainability Department conducted the measuring process **[GRI 2-13]**. To establish the prioritization of strategic issues, we considered these five steps:

Step 1 Identification of topics

We reviewed external inputs through benchmarking: Megatrends, Sustainable Development Goals, sustainability standards, and sustainability indexes, among others. Also, internal inputs, such as the company’s sustainability strategy, policies, corporate risks, and parent company’s materiality.

Step 4 Cross-reference and prioritization

We weighted the information collected in previous stages. We created a prioritization matrix in which we evaluated impacts related to sustainability on the X-axis and financial effects on the Y-axis.

Step 2 Definition of stakeholders [GRI 2-29]

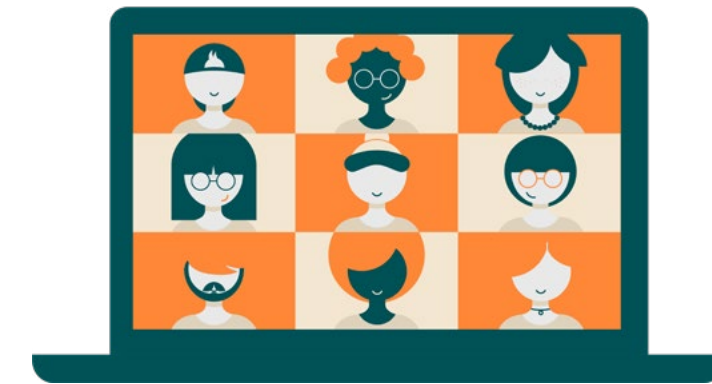
We developed a map solution to select the key actors to be consulted, representing prioritized stakeholders. We considered the following: the Board of Directors, Senior Management, employees, customers, suppliers, opinion leaders, media outlets, sustainability-focused academics, and community leaders.

Step 5 Validation

To focus the management system on strategic issues, we submit for their approval the Materiality Matrix to Senior Management and the Sustainability Committee of the Board of Directors **[GRI 2-14]**.

Step 3 Dialogue with stakeholders

We conducted interviews and surveys with more than a **thousand** people from different stakeholders to identify their most relevant topics in terms of financial impact and Environmental, Social, and Governance ESG impact. In this way, we applied the double materiality methodology.



As a result of this exercise, we present below the company’s material issues for the period 2023-2025, **[GRI 2-16] [GRI 3-2]**:



Learn about Material Analysis here

Strategic Topics [GRI 3-2] [GRI 304-2]

The following topics show the strategic and relevant focuses to continue Nourishing Colombia with opportunities:

1. Climate Change

Manage the carbon footprint and promote sustainable mobility on different fronts: logistics, employees, and customers.

2. Local economy and inclusive businesses

Promote local and direct (without intermediation) purchases, favoring the productive communities and vulnerable populations or those affected by violence.

3. Circular economy and packaging

Promote the different principles of the circular economy: reduction, redesign, reuse, and recycling by enabling post-consumption programs, the correct Management of waste in the company's facilities, and the work toward eco-design in packaging.

4. Managing food waste

Develop programs to prevent food waste and promote food donations to banks and authorized institutions for their Management.

5. Biodiversity conservation

Protect biodiversity through strategies that promote deforestation-free supply chains and work toward conservation.

6. Enabling Fundación Éxito's strategy

Encourage social investment and generation of resources for child nutrition initiatives associated with the mission of Fundación Éxito.

7. Diversity and inclusion

Promote respect for human rights, equal opportunities, accessibility in facilities, and inclusive, diverse, and equitable employability programs.

8. Supply chain management

Identify the suppliers and the social and environmental aspects of our supply chain that allow for mutual growth and shared value creation.

Grupo Éxito's Materiality



Relevant Issues

9. Human Rights.

Temas emergentes

10. Develop our work associated with communities.
11. Attract, retain, and develop talent.
12. Democratizing healthy lifestyles.
13. Animal welfare in production practice.
14. Contribute to long-term economic performance and financial stability.
15. Cybersecurity and data protection.
16. Living wage.

Transversal Issues

Transversal issues were not prioritized for analysis. However, they are managed transversally in the company.

- Achievement of good governance and risk management practices.
- Innovation.
- Educating the consumer on the Sustainability Strategy issues.
- Management of ethics and compliance (habeas data).
- Digital transformation.
- Creation of public policy and alliances promoting Sustainability Strategy issues.
- Management of Health and safety at work.
- Communication and relationship with stakeholders.



Aligned to the Sustainable Development Goals

We are committed to the 2030 Agenda for Sustainable Development

SDG 2 Zero Hunger

- **200,403** nutritional baskets were distributed to almost **31,000** children.
- More than **1,256** tons of food were donated to **23** food banks and **240** institutions nationwide.

SDG 3 Good Health and well-being

- Taeq has eliminated or substituted **30** undesirable ingredients from its products.
- Training spaces for more than **30,000** employees.
- **8,000** nutritional and cardiovascular screenings.
- Vida Sana Fair: more than **12,300** visitors and development of the fair in more than 100 stores throughout the country.

SDG 5 Gender Equality

- More than **36,000** employees, of which **50.28%** are women, **48.7%** are men, and **0.02%** are other gender.
- Women hold **32%** of management roles.
- The Diverse and Inclusive Academy offers **21** programs.

SDG 8 Decent work and economic growth

- **34,000** direct and **3,000** indirect workers throughout **24** departments.
- We collaborate with **7,392** suppliers in **27** departments.
- **611** people hired from diverse populations.

SDG 9 Industry, innovation, and infrastructure

- **13** new store openings.
- Innovative formats accounted for **41%** of the company's revenues in Colombia

SDG 12 Responsible consumption and production

- More than **2,000** references of food references authorized under the FSA (Food Standards Agency) guidelines.
- We removed unnecessary packaging materials from **1,556** references of private labels.

SDG 13 Climate Action

- **41%** reduction in carbon footprint (Scope 1 y 2).
- Icontec has certified Carulla and Viva Malls as Carbon Neutral.
- We recycled more than **20,000** tons in our back stores.
- We worked to protect biodiversity across our supply chain.

SDG 16 Peace, justice, and strong institutions

- Paissana brand support: we worked with **37** suppliers in **45** facilities.
- Communication of the Business Ethics Program to 219 private label suppliers.
- We launched the EquiRutas toolbox to guide organizations in achieving gender equality.



Recognitions that fill us with pride

- According to Standard & Poor's Corporate Sustainability Assessment (CSA), **we are still one of the world's top ten most sustainable food retailers.** We were in the industry's top 95th percentile, up six points from 2021. We went up two categories in the Climate Disclosure Project (CDP), getting a B score in the Climate dimension.
- We were recognized in the S&P Global Sustainability Yearbook 2023 for the fourth consecutive year, as per our Management in the environmental, social, economic, and corporate governance dimensions.
- According to the **Corporate Reputation Business Monitor (Merco, by its acronym in Spanish), we have returned to the top ten firms in Colombia with the best corporate reputation,** rating eighth. Furthermore, our CEO, Carlos Mario Giraldo Moreno, has been recognized as one of the leaders in the country with the highest business reputation.
- Viva becomes Colombia's first shopping Mall brand to achieve the ICONTEC Carbon Neutral accreditation, while our brand Carulla, Latin America's first Carbon Neutral food retailer, renews its certification in its 30 stores.



- In recognition of our Gender Equity and Equality Management System, we received the Equipares Gold Seal.
- We were recognized as one of the firms that contributed the most to the development of Colombia's Plastics Pact by Compromiso Empresarial para el Reciclaje (Cempre, for its acronym in Spanish) and The Waste and Resources Action Programme (WRAP).
- We obtained the Xpossible recognition from Colsubsidio 2022 for our work in the Sustainable Livestock Model.
- The Connect Bogotá Region and 100 Open Start-ups Innovación Abierta 2022 Ranking named us the second-best company in Colombia for Innovación Abierta 2022.
- The VTEX Commerce GrandPrix 2022 awards recognized us as Colombia's best multicategory store.
- We are still ranked #11 in the country's most responsible companies, according to Merco.

Management Report



*This Integrated Report was created using the GRI Global Reporting Initiative methodology, an international standard that represents best reporting practices from throughout the world.

We work so that our customers return. We develop an ecosystem of services that generates unique experiences.

Dear Shareholders:

At Grupo Éxito, we continue to work toward being a relevant organization within the countries where we operate because we know that we are at the crossroads of thousands of people and organizations capable of positively impacting their stakeholders. During 2022 in Colombia, we carried out business with more than 6,000 suppliers; we now have more than **36,000** employees, making us the largest private employer in the country, solving the needs of more than eight million customers. With our **492** physical stores, we have a presence in **23** states of the country; with electronic commerce, we reach more than 500 municipalities, making more than **13.3** million deliveries to the homes of Colombians. We seek to be part of the essence of the country and of each of the regions in which we operate because, this way, we contribute to its well-being and development, promoting the production of the textile, agricultural and artisanal industries, as well as the production of the textile and agricultural industries, the generation of employment and the construction of opportunities for communities in the country.

In our international operations in Uruguay and Argentina, we also focused on contributing to the retail transformation of these countries with innovation in formats, technologies, products, and sustainable practices.

We base our daily work on three areas: economic sustainability, social sustainability, and caring for the planet. Our approach is not only for a sustainable financial



Carlos Mario Giraldo Moreno, presidente Grupo Éxito.

outcome but also to generate a positive social impact. As such, we declare our superior purpose to be

The year 2022 began with positive economic dynamics maintained for much of the year, marked by the growth in household consumption, estimated at 13.9%. This consumption, coupled with international supply chain considerations, geopolitical conflicts, and increased price growth, led to an increase in inflation and interest rates, both in Colombia and elsewhere. In the midst of this situation, the confidence and economic capacity of consumers were affected in a certain way. Thus, we focused our efforts on controlling price levels through advanced purchases of our suppliers' products, implementing actions to increase productivity, and improving our portfolio of nearly 700 products, most of them in the basic grocery shopping basket, at "unbeatable prices." We managed to contain the price increase by 7.7 percentage points below the country's food inflation, to relieve the inflationary burden on Colombians.

In this context, thanks to our customer-centric and foundation strategy, based on omnichannel (combination of physical and virtual channels), format innovation, asset monetization, and operational efficiencies,

Grupo Éxito, recorded a growth of close to **22%** in revenues. This was also due to the positive performance of the retail business in all the countries, as well as the real estate business in Colombia and Argentina.

During the year, the Company reached milestones in its strategic pillars. Thus, the innovative formats of Colombia, Uruguay, and Argentina represented **40%** of consolidated sales leveraged in: the expansion of Éxito Wow, with the acquisition of six new stores; and in the fastest growth rate of the manufacturing format (Surtimayorista and Mini Mayorista), which had **19** new stores. Omnichannels, in the three countries, accounted for about 10% of sales, and complementary businesses grew by **6%**.

Aligned with our superior purpose and having innovation as one of our transversal pillars, we continued to work setting out for the conservation of biodiversity, the promotion of employment, and the reconstruction of the social fabric.

In 2022, we opened five stores acquired from La 14 in 2021 in Cali, Cartago, Jamundí, Palmira, and Tuluá. In these, we worked under the fundamental premises of local procurement, the development of SMBs, and the generation of employment. As a

In 2022, we declared "Nourishing Colombia with Opportunities," our superior purpose, aiming to leave a positive mark on the communities, the country, and the planet, promoting actions for the generation of progress, equity, honesty, transparency, and opportunities.



**Nourishing
Colombia with
Opportunities**

result, nearly 120 La 14 suppliers were linked to our operation, generating more than 800 jobs for the operation of new stores, reaching more than 4,500 employees in our facilities in the region and contributing to the recovery of employment in the Valle del Cauca region. Similarly, the suppliers reacted to their employability chain by regaining their businesses.

At Grupo Éxito, we are driven by hope, optimism, and the desire to be part of the dreams of millions of Colombians! We believe in the power of building a better country together, in shared illusions, in hard work, and dignity. We know that acting integrally builds trust, which fills us with joy and motivates us to do things right, challenging us to give the maximum possible.



Learn about our superior purpose **here**.

Colombia – Grupo Éxito

GDP growth during the year was **7.5%**, supported by the growth of private consumption, the increase in loans, and the reduction of unemployment, which stood at 10.3%. It was a year characterized by a high degree of economic and political uncertainty, increased interest rates to 12%, and inflation that reached 13.1%, the highest in 23 years. In the latter part of the year, household consumption, which had been the engine of outstanding annual growth, showed signs of slowing down.

Income from the operation in Colombia reached COP 15.3 billion, 17.2% more than in 2021. This amount was aW complementary businesses, and real estate. This dynamic resulted from a successful customer-centric strategy, with the Company responding quickly to their needs and preferences.

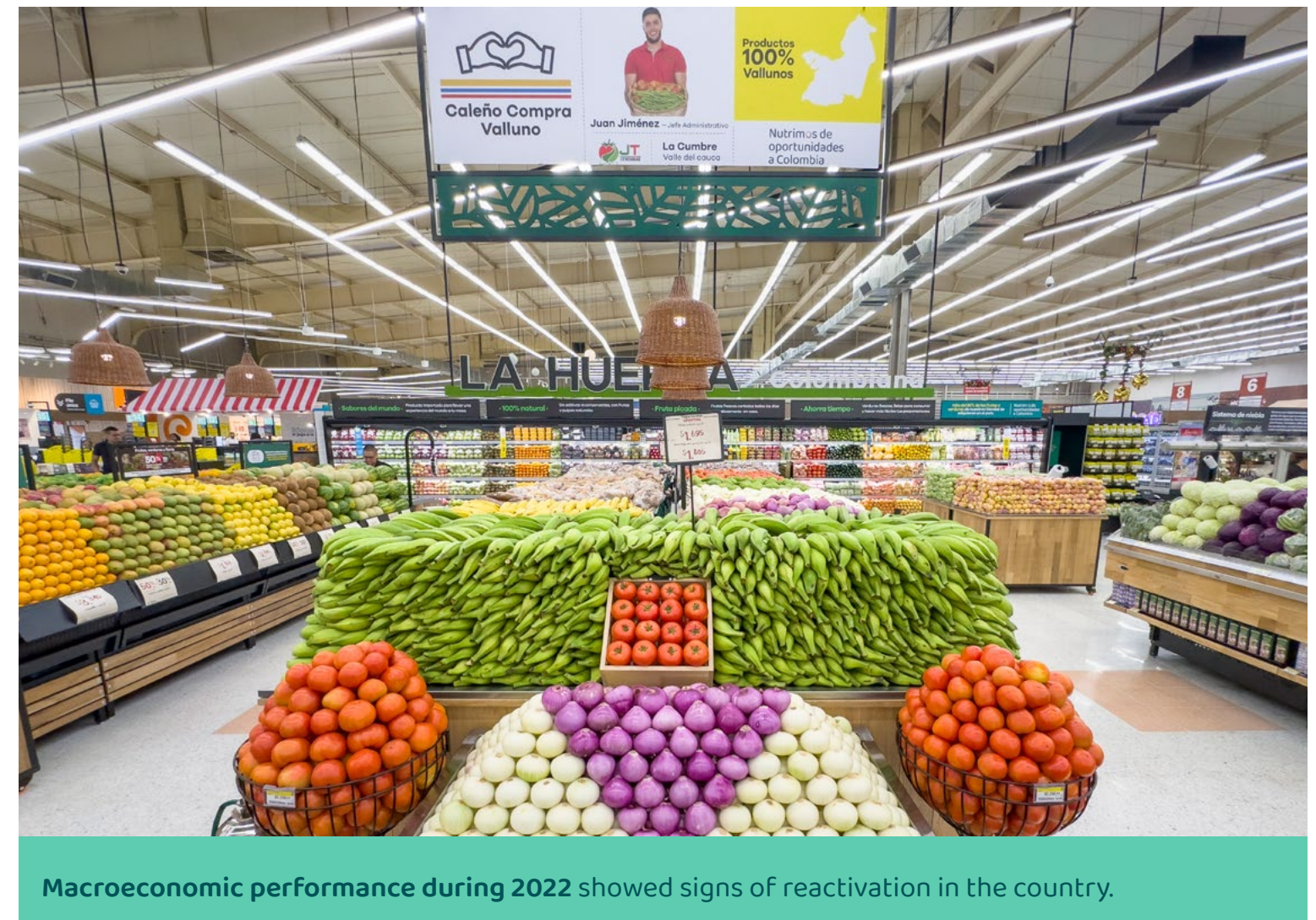
Recurring EBITDA grew 0.8% and reached COP 1.2 billion, with a margin on revenue of 8.1%. These results were favored by the growth of operating income and a strategy focused on achieving expenditure efficiencies, supported by: The Operational Excellence Program, adjustments made to expenses without affecting service levels in the midst of an inflationary environment, and the good exercise of complementary businesses, which contributed in a significant way, strengthening the profitability and attraction of our brands. The result also reflected negative impacts due to higher levels of non-recurring income on the basis of and due to an increase in the cost of fresh produce manufactured in our food industry as an effect of the natural stabilization of

COP
15.3
billion

Operating income in Colombia, 17.2% more than in 2021.

COP
1.2
billion

Recurring EBITDA, with a margin over income of 8.1%, grew 0.8%.



our industry processes, after the relocation of the headquarters from its previous location in Bogotá.

Innovation and Growth

The Company continued to focus on delivering differentiated value to its customers and resumed organizational expansion in high-potential formats. At the end of the year, the innovative formats reached **41%** of the Company's sales in Colombia. Éxito Wow accounted for **34.2%**; Carulla FreshMarket, **60%**; and Surtimayorista, **5.2%**.

Regarding organic growth, Éxito Wow opened five new stores acquired from La 14, adding 26,000 m² to the sales area. In addition, the Éxito brand refurbished six of its stores to the Éxito Wow format, completing 30 of its kind. Meanwhile, Surtimayorista opened four new stores and converted six, for 10 improved during the year.

Thus, the market share was 28.4% (Nielsen), Colombia plus wholesalers.

In terms of reforms, Carulla opened eight FreshMarket stores, completing 30 stores under this model, and converted seven stores to the Carulla Express format; Super Inter converted ten of its stores into the Vecino format, completing 35 stores of this type, which accounted for about 71% of the brand's total sales; and Surtimax, for its part, completed 37 projects, between openings and renovations.

41%

of sales

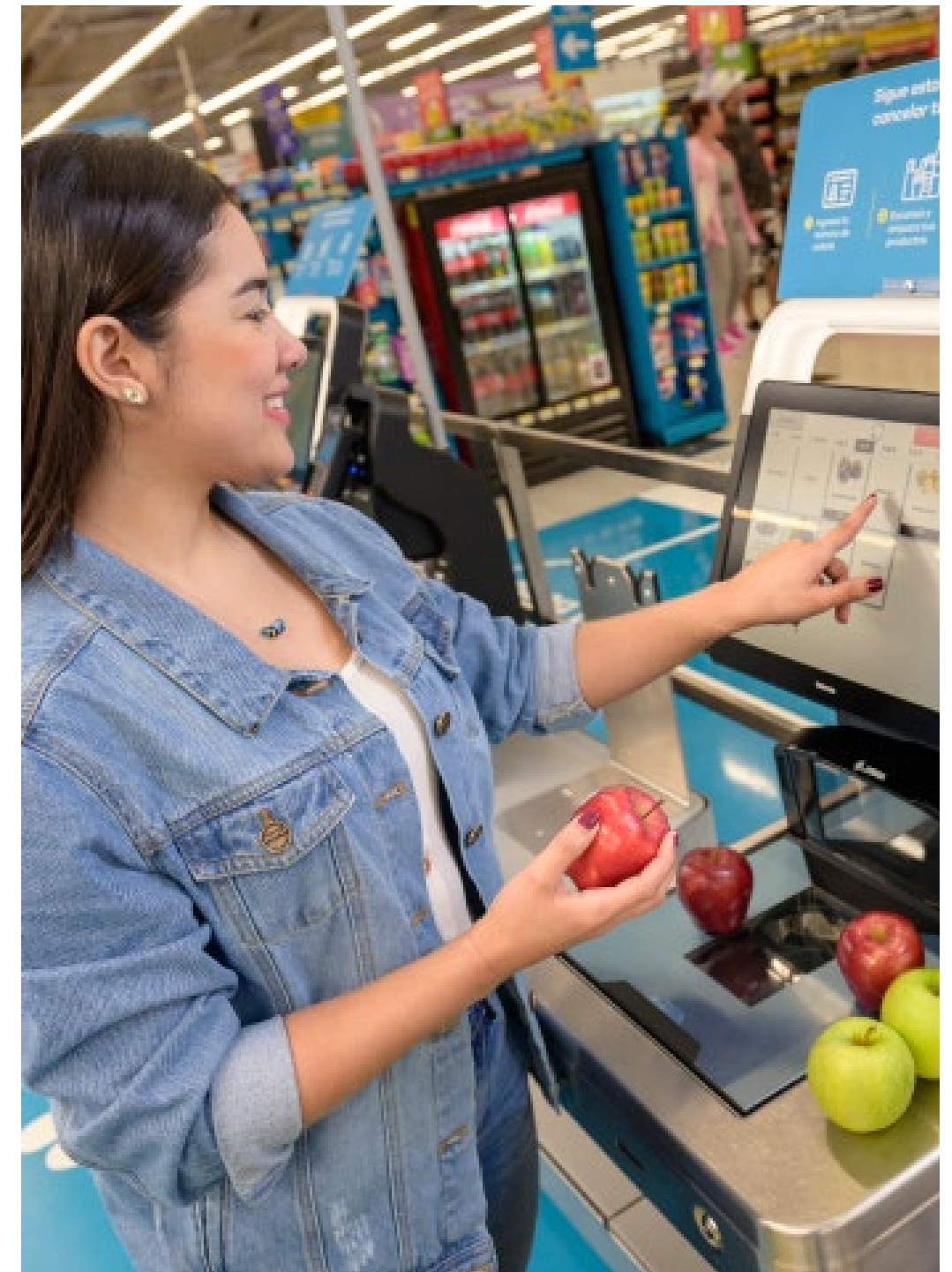
of the Company in Colombia were in innovative formats. Éxito Wow accounted for 34.2%, Carulla FreshMarket, 60%, and SurtiMayorista, 5.2%.

Omnichannel

We reached a sales share of 12%, given by the 10.5% sales growth in the food category and 15% in non-food, through our different channels, consolidating this as a strategic business for growth. The performance of the last mile service is worth noting, which grew by 28%, powered by Turbo Fresh in partnership with Rappi. In addition, the WhatsApp channel accounted for 17.5% of omnichannel sales in Colombia, and the MiSurti app, which helped digitize food sales from 3,000 neighborhood stores mainly and participated in 26% of sales of the Aliados format.

We continued to strengthen the omnicustomer service experience, driven by digital transformation, and invested in innovative technologies and development systems to enhance digital commerce and logistics capabilities, seeking effective integration of all businesses and sales channels.

Concerning traffic monetization, we highlight the performance and contribution of the real estate business above pre-pandemic levels. We strengthened our position as Colombia's first shopping center operator, with solid occupancy levels of over 96% and increased traffic, which helped our tenants' performance and our lease revenues. During the year, we continued constructing the first IKEA store in the Viva Envigado shopping center, which will become the largest in Colombia.



As a differentiating strategy to provide superior customer experiences, the Company invested a total of COP396,300 million in Colombia.



Our financial business showed great dynamism, reaching 2.1 million cards issued and close to COP 4.5 billion in portfolio, growing 26%. The performance of the Viajes Éxito business improved, and sales grew by 43%, mobilizing more than 74,000 passengers.

The Puntos Colombia loyalty program grew more dynamically and profitably. The ecosystem completed more than 160 allied brands, generated more than 35 million points for the 6.2 million registered customers, with habeas data protection, an increase of 14% compared to 2021; and reported levels of operating income and net income during the year.

The Company's private labels, another focus of our innovation strategy for differentiation and competitiveness, stood out during the year. Frescampo and Taeq accounted for 5.8% of food sales. Arkitekt, People, and Bronzini contributed to 43% of sales in the textile category, and Finlandek continued to increase sales in the home category, thanks to the collaboration of Colombian designers and artisans in the development of their products and collections. 97% of our private label garments purchased were made in Colombia, through 344 production workshops throughout the country, employing about 9,600 people, 70% of them women. In addition, we sold 48.8 million garments. We can therefore state, "We are dressing Colombia."



5.8% of food sales were made by private labels Frescampo y Taeq, which are at the center of our innovation strategy.

COP
2,100
million

of issued cards and close to COP 4.5 billion in portfolio were achieved by our financial business, growing 26%.

97%
of our

private label garments were purchased in Colombia. In addition, we sold 48.8 million garments. We can therefore say, "We are dressing Colombia."

International Operations

Operations in Uruguay and Argentina increased their recurring EBITDA by 37.6%, contributing to consolidated financial performance, leveraged by improved customer flow and productivity gains.

Uruguay - Grupo Disco and Devoto

During the first three quarters of 2022, Uruguay showed an increase in inflation of up to 9.95%. However, the indicator corrected downward during the last quarter of the year and stood at 8.3%, in line with the 8% reported in 2021, with a food component growing at 11.8% compared to 6.5% from the previous year. GDP growth as of September 2022 was 3.7%, compared to 4.4% reported in 2021.

Our operation in Uruguay strengthened its value proposition with the fresh market model, representing 52.9% of sales in the country. We made six renovations and openings, completing 29 stores in that format. Omnichannel sales represented 2.8% of total sales in the country. As a result, the market share was 42.1% (Nielsen).

The recurring EBITDA margin reached 9.9% and remained the highest in the Company, reflecting high productivity levels and spending control. The margin grew by 8.3% in local currency, surpassing the level of inflation.

Argentina - Libertad

GDP for the third quarter of 2022 grew by 4.7%, compared to the same period the previous year, and was forecasted to grow by 5% by the end of the year. The country continued with high inflation levels that reached 95.7% at the end of 2022. The consumer confidence index had a negative cumulative variation of 4.9% compared to that of 2021.

The operation of Libertad continued to implement the multiformat and omnichannel strategy, and launched the Mini Mayorista banner in 2022, a proposal designed to offer the best price per volume for essential products, in a compact space and with an experience of simple purchasing, for both retail and wholesale customers. At the end of 2022, nine stores accounted for 3.7% of total sales in the country.

Libertad increased its revenue by 105.1% in local currency, marked by the good commercial performance of the retail business, the evolution of digital channels that accounted for 3.9% of sales, the good performance of the Mini Mayorista format and the dynamics of the real estate business with occupancy levels of 92.6%. The recurring EBITDA margin was 4.3% in 2022 and increased by 161.5% in local currency, which was well above inflation compared to the previous year. The market share is 14.7% in the Company's operating areas (Nielsen).

Consolidated Financial Results

Grupo Éxito reached COP 20.6 billion in net income, with a growth of 21.8%, leveraged by the good performance of innovative formats, the dynamization of sales, both in the physical and in the e-commerce channels, the good results of complementary



The operation in Colombia accounted for 74% of the Group's total income, which grew by 17.2% compared to the previous year.

businesses, the evolution of the real estate business and the performance of new businesses that have joined the ecosystem of the Company.

The operation in Colombia represented 74% of the Group's total income, which grew 17.2% compared to the previous year, thanks to the performance of the retail business. For its part, international operations represented 26% of consolidated income and totaled COP 5.3 billion for the commercial dynamics, which translated into a growth of 37.3%.

The Group's recurring EBITDA grew by 8.3% compared to 2021 and reached more than COP 1.7 billion, with a margin of 8.1%. Likewise, net income was COP 99,072 million due to a positive performance of the retail business, the strengthening of complementary businesses and the joint ecosystem activities, and optimal operational structure. The operational result was partially affected by higher exceptional deferred taxes in Colombia due to the latest tax reform and by the recognition of Argentina's high inflationary effect, both without negative pressure on the organization's cash generation. In addition, the increase in interest rates, especially in Colombia, negatively impacted net income.

The gross cash position was COP1.3 billion, which reflects the organization's financial strength.



The Fundación Éxito turned 40 and managed to serve more than 60,000 children, in line with its purpose of eradicating chronic malnutrition in Colombia by 2030..

Sustainability

We were among the top ten best-rated food retailers in Standard & Poor's Corporate Sustainability Assessment (CSA). We have moved up two Climate Disclosure Project (CDP) categories in the Climate dimension, obtaining a B score. For the fourth year, we have been recognized as Sustainability Yearbook Member. Likewise, we returned to the top ten best corporate reputations as part of the monitor Merco survey, reaching the eighth spot..

Some results of the sustainability strategy during 2022 were as follows:

- The Éxito Foundation turned 40 and managed to care for more than 60,000 children, in line with its goal to eradicate chronic malnutrition in Colombia by 2030.
- We updated the Corporate Environmental MEGA with the commitment to reduce 55% of the carbon footprint (Scope 1 and 2) by 2025. Highlighting the milestone for Viva Shopping Centers was the first time ICONTEC certification as Carbon Neutral and the recertification of the Carulla FreshMarket format.
- SoyRE, through its 42 post-consumer recycling points, managed to recycle about 986 tons of materials, growing 25% over the previous year and mobilizing customers who made more than 244,000 visits to these areas at our stores, in which nearly 17 million containers were collected.
- The Sustainable Livestock Model continued to be strengthened with satellite monitoring of 100% of direct suppliers, thanks to the alliance with Climate Focus and the International Center for Tropical Agriculture (CIAT) through GANSO (Sustainable Livestock Project). In addition, together with WWF and UK PACT, the ecosystem conservation strategy was successfully developed in the livestock farms of our direct livestock suppliers.
- We launched the “Recuperemos el Verde - #UnArbolALaVez” campaign (Let's Recover the Green - #OneTreeAtATime), joined by Celsia and ReverdeC, to plant a million native trees in Colombia. As a result, more than one million trees were planted. As a result, we recovered 350 hectares of forest, that is, 560 football fields.
- 88.7% of the purchase of fruits and vegetables was made locally, and 86.3% was marketed directly, without intermediaries, to about 940 local producers through associations of producers and peasant families.



- We supported the launch of the Paissana brand and the Fondo Colombia en Paz. This brand seeks to certify products and services from prioritized ZOMAC and PDET municipalities and/or prioritized populations, such as victims and former combatants. During 2022, we had 37 suppliers, 114 products in 45 departments, and sold about COP 7,000 million. As for the textile industry, we achieved the “Sello Oro Moda Sostenible” certification (Sustainable Fashion Gold Seal), awarded by CO2CERO, recognizing good social and environmental practices in the value chain.
- We advanced efforts for the local purchase of products manufactured by the Nasa indigenous community in the department of Cauca.

In 13 cities of Colombia, we have taken the National Graffiti Fair, Pigmentos Urbanos (Urban Pigments).

6,000 units

produced in the food safety project, Terrazas Verdes (Green Terraces), were marketed in the Éxito stores in Medellín.

- We held the sixth version of the “Feria Vida Sana” (Healthy Life Fair), in hybrid mode, with a face-to-face event that had more than 12,300 visits, as well as experiences on digital platforms and product exhibitions in more than 100 stores, in different cities of the country. Bronzini was the #1 sales brand at the fair, with a 12.3% share, and Taeq, the #2, with 11.3%. At the fair, 136 brands, 45 suppliers, and 34 micro-entrepreneurs were present with products and services that promoted healthy lifestyles for people and were sustainable for the planet.
- According to internal research in 2022 carried out to customers and non-customers, Taeq is the second healthy brand on the Top of Mind of consumers in Colombia.
- The National Graffiti Fair “Pigmentos Urbanos” reached 13 cities of the country, along with local artists, and the local populations around our facilities, managing to highlight the identity of the territories. Furthermore, “Terrazas Verdes” is a food safety project that began in the Comuna 13 of Medellín. It benefits women heads of households and their children and the commercialization of 6,000 units at the Éxito stores.
- We continued to develop and implement the strategy of diversity and inclusion. As a result, we obtained the Gold Seal certification “Equipares,” granted by the Ministry of Labor, which certifies that all people are valued equally, recognizing their skills, competencies, and talents.



88.7% of the purchases of fruits and vegetables were done locally.

Corporate Governance and Internal Control

We have been characterized by a high commitment to our performance, adopting best practices and national and international standards in matters of corporate governance and transparency, and working to construct and consolidate valuable relationships with stakeholders.

Thus, during 2022, we managed relevant issues carried out following these practices within the framework of an environment of integrity and compliance with internal regulations and the current applicable regulations.

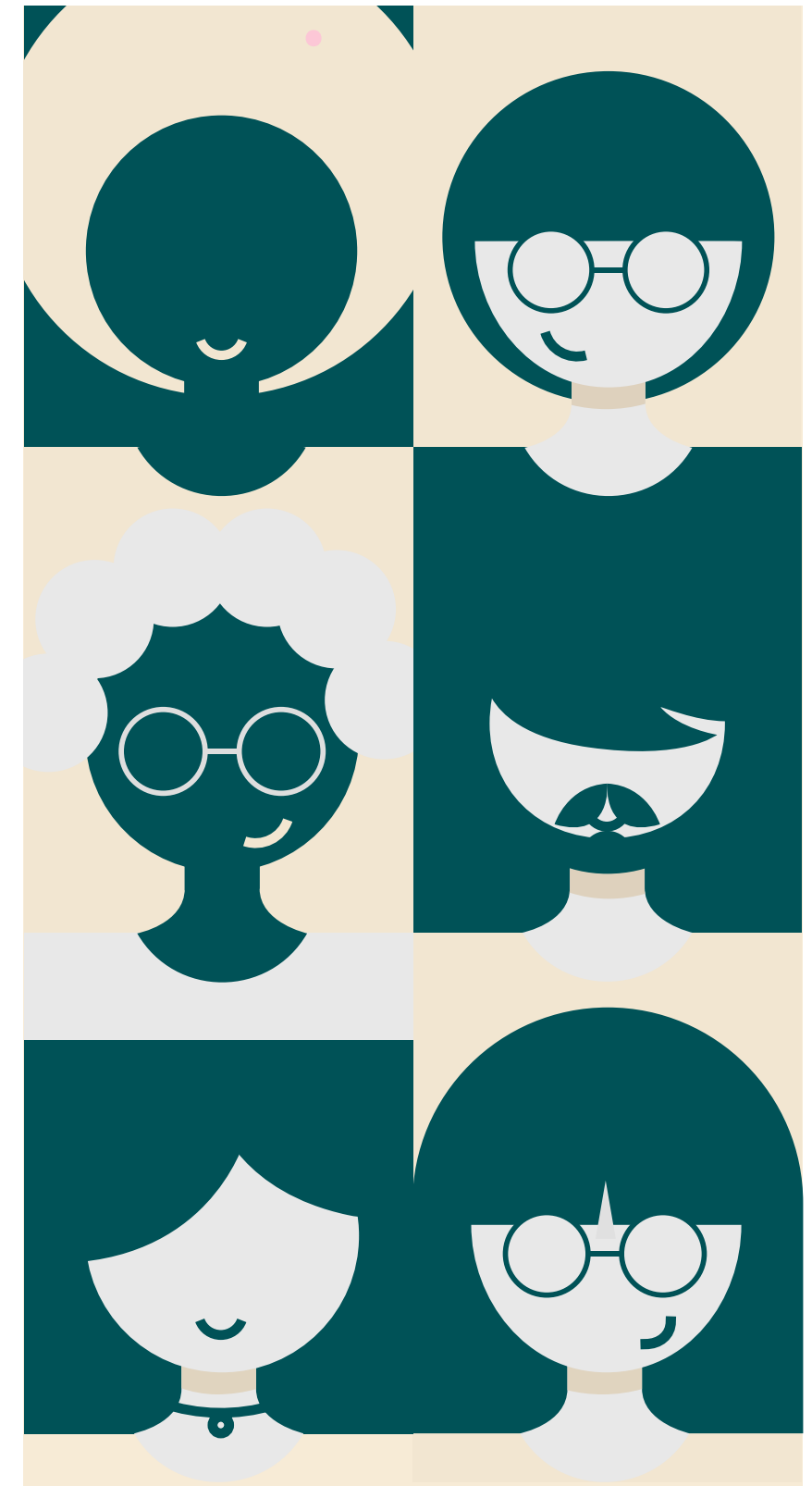
The following are some of those relevant issues:

- We carried out a re-acquisition of shares of the Company, whose purpose was to deliver value to the shareholders, paying a price that recognized the fundamental value of their shares and generated efficiencies for each, in conditions of equality and in accordance with share percentage. We reacquired 14,982,863 ordinary shares, now totaling 15,618,698 reacquired shares.
- - The Board of Directors authorized the initiation of procedures for the future registration of the Company in the Brazilian stock market and for the modification of its DRs (Depository Receipts) program in the United States. These issues are part of a project of interest to the Company, along with Grupo Casino y Companhia Brasileira de Distribuição (GPA), which includes: (i) the implementation of the Brazilian Depository Receipts Level II (BDRs Level II) Program, (ii) the modification of the program deposit receipts to American

Depository Receipts Level II (ADRs Level II) and (iii) a capital reduction with GPA contribution reimbursement, which would take place in Brazil, whereby GPA would distribute approximately 83% of Grupo Éxito's capital to its more than 50,000 shareholders. With this opportunity, GPA shareholders would become shareholders of Grupo Éxito directly and would receive their shares through ADRs Level II or BDRs Level II.

As part of this project, during 2022:

- - At the Annual General Meeting, shareholders approved an amendment to the bylaws, consisting in reducing the nominal value of the Company's share (split) of COP 10 ML (legal currency) to COP 3.33 ML (legal currency). This statutory reform was completed on November 18th, and with it, the Company began the execution of the procedures to implement the project.
- We filed before the competent securities authorities of Brazil the documents required to initiate the procedure for obtaining future authorization for registration in the stock exchange market of that country and for the implementation of a BDRs Level II program.
- The Board of Directors approved the process of dematerialization of the Company's shares, empowering the chairman to implement it. This process was contracted with the Depósito Centralizado de Valores SA (DECEVAL) and, on November 15th, 2022, was completed, allowing the shares of the Company to circulate in a dematerialized manner, through the system of registration and accounting of said deposit, therefore achieving the global operating standard of negotiation.



Likewise, guided by the principle of continuous improvement, we strengthened fulfillment programs to frame the culture of integrity and respect for the principles, values, and norms. Thus, through the Transparency Program and the System for Preventing and controlling the risks of money laundering, terrorist financing, and financing for the proliferation of weapons of mass destruction, we managed compliance risks under the provisions of the applicable regulations and the set of internal policies and procedures, including legal reports that are a requirement for the Company.

In the face of comprehensive risk management, conceived as an inherent part of the corporate strategy, we updated the profile of strategic and business risks, through the analysis of threats, trends, and opportunities, under the light of the internal and external contexts. At the same time, we are moving forward in the processes of strengthening business continuity management and crisis management maturation, all of which contributed to fine-tuning organizational resilience skills with a view to leveraging the achievement of the objectives and strategic pillars.

Company management regularly reported key business indicators, relevant facts, and individual and consolidated financial statements to the Audit and Risk Committee of the Board of Directors. The Committee supervised the financial and non-financial information to risk management, to the management of internal auditing and Statutory Auditor review, and all matters relevant to the internal control system and regulatory compliance.



In 2022, we updated the strategic risk and business profile, by analyzing threats, trends, and opportunities, in light of the internal and external contexts.

We sought the continuous improvement of the control system, combining the control frameworks that our corporate status and our shareholders have incorporated; we have, as well, operating together, thus strengthened the system integrally. Likewise, the Company management modified the Conflicts of Interest Policy contained in the Code of Ethics and Conduct and submitted it for the approval of the Audit and Risks Committee.

The Company management certifies the internal control system did not present any shortcomings that have prevented the registration, processing, summarizing and/or adequate presentation of financial information; nor did it suffer significant frauds that have affected its condition, quality, and integrity. The disclosure of financial information was verified and complied with the current regulations, ensuring that the information on December 31st was appropriate and contained no defects, inaccuracies, or errors preventing the knowledge of the Company/Organization's actual asset situation.

1.600 Brands

duly registered are part of our portfolio, including all kinds of trademarks in 32 countries.

Regarding Intellectual Property, we complied with the applicable standards for Colombia and the other countries where we have commercial operations. Likewise, we have all the required licenses for using distinctive signs and other copyrights of which we are not the owners. Concerning copyright, we complied with the rules applicable in copyright and with the conditions defined in software licensing agreements.

In view of the corporate commitment to the protection of personal data, the management of risks associated with privacy, and the construction of an integral program, we developed activities and strategies aimed at complying with current regulations and the good practices applicable in the field, having the recognition of privacy and respect for the fundamental right of habeas data as a principle.

Finally, we have not, in any way or shape, limited the free communication of invoices issued by suppliers of goods or services, and we are not in the midst of investigations relating to restrictive competition practices.

Transactions between Related Parties

The transactions between related parties carried out during the 2022 period were made with the full observance of the Policy and Procedure of Transactions between Related Parties in force, complying with the corporate procedure required before the Audit and Risks Committee or the Board of Directors, as appropriate. Details of such transactions can be found in the Corporate Governance Report and Note 9.2 of the financial statements.

Intellectual Property and Regulatory Compliance

We own a portfolio of over 1,600 brands duly registered, including all kinds of trademarks across 32 countries. Of these, more than 1,000 are in Colombia, including, among others, the Éxito, Carulla, Surtimax, Super Inter, and Surtimayorista brands associated with the retail business; Ekono, Frescampo, and Porchi, related to the food business; Arkitect, Bronzini, and Finlandek, to the textile, fashion and home decoration industry. We are also authorized to manufacture, market, and promote food products in Colombia under the Taeq brand and have licensed several of our subsidiaries to use the textile's private labels in countries such as Argentina and Uruguay. As of December 31st, 2022, we have no registered patents.



Regarding Intellectual Property, we complied with the applicable regulations for Colombia and the other countries in which we have a commercial presence.

Closing Remarks

During 2022, at Grupo Éxito, we continued consolidating our omnichannel strategy and capitalizing on the opportunities offered by the market that allowed us to resume the path of organic and inorganic expansion. Thus, we acquired stores for our Éxito and Surtimayorista brands. Also, we renewed stores to the Éxito Wow and FreshMarket formats, combined Carulla stores to the Carulla Express format, and modernized stores of the Super Inter and Surtimax brands. Thanks to these initiatives, our innovative formats were strengthened, accounting for 41% of the Group's sales in Colombia. In addition, we successfully implemented the wholesale format in Argentina, both in terms of sales and positioning.

The financial performance reflected the operational strength of our different business units, with a gross cash position of COP 1.3 billion in 2022.

Our investment levels were consistent with growth opportunities and cash position. During 2022, we invested close to COP500,000 million and completed 92 projects in the region, including openings, conversions, and reforms, as well as investment in operation maintenance and logistics.

Over the coming years, the Company will continue to focus its development on format development of innovative formats, such as Éxito Wow, Carulla Freshmarket, and the expansion of Surtimayorista.

The omnichannel strategy will continue to be a priority for the organization, emphasizing the development of the last mile and the online sales channel. Likewise, we will continue to integrate our business ecosystem, extracting value from the different alliances of the Company and the strength of the retail and real estate businesses.

As business leaders, we have the task of finding opportunities to be creative in the challenges we face every day: opportunities that allow us to invoke new actors and profit in our business industries, as these actors themselves generate new opportunities and offer an empathic position with the current situation of the country.

Likewise, the adaptive capacity added to the agility in decision-making will be key to preserving the competitiveness of our operation and its profitable growth and to continue with our goal of "Nourishing Colombia with Opportunities." We especially thank our almost 43,000 employees in Colombia, Uruguay, and Argentina, who, day-to-day, are committed with our customers, offering them the best possible service.

Carlos Mario Giraldo Moreno
Grupo Éxito CEO



During 2022 we continued to consolidate our omnichannel strategy, which allowed us to resume the path of organic and inorganic expansion.

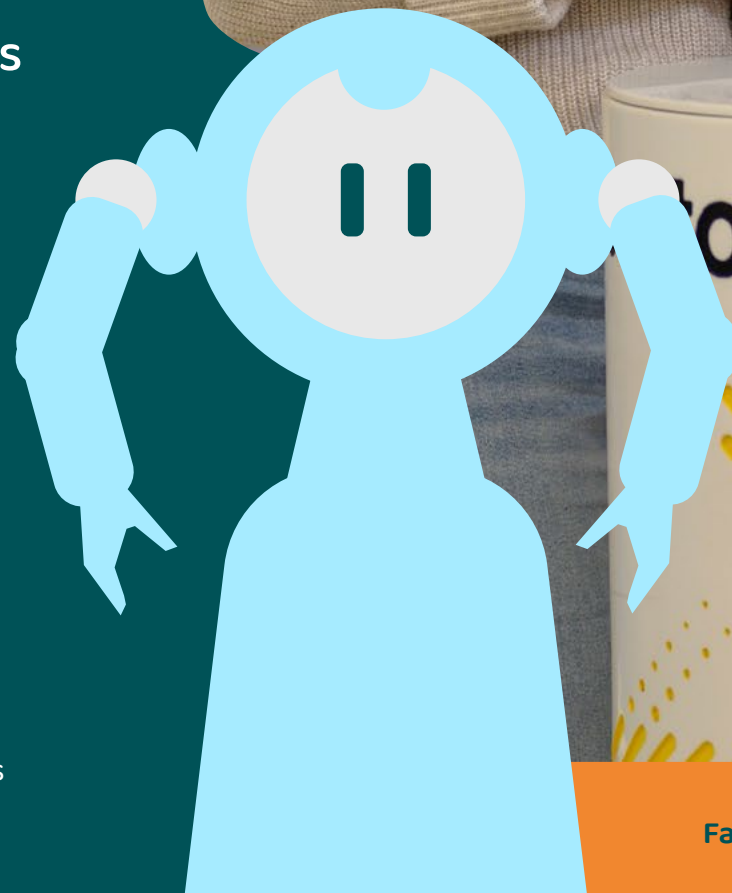


COP
500,000
million

were invested in the region and thus have completed 92 projects between store openings, conversions, and renovations, as well as investment in operation maintenance and logistics.

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.

Fast checkout stations circulate throughout the stores to speed up customers' purchases.



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).

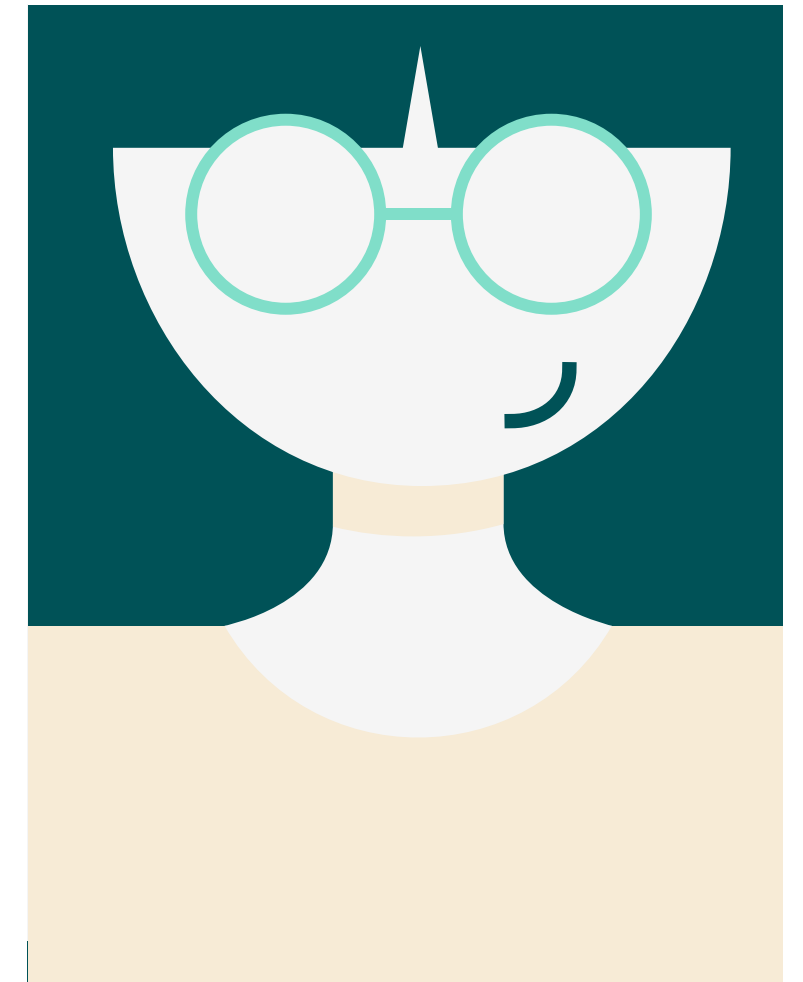
Grupo Éxito has continued to strengthen compliance programs, which frame the Company's actions in a culture of integrity and respect for the principles, values, and regulations that govern it, becoming enablers that contribute to the generation of value and the achievement of strategic objectives.

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.

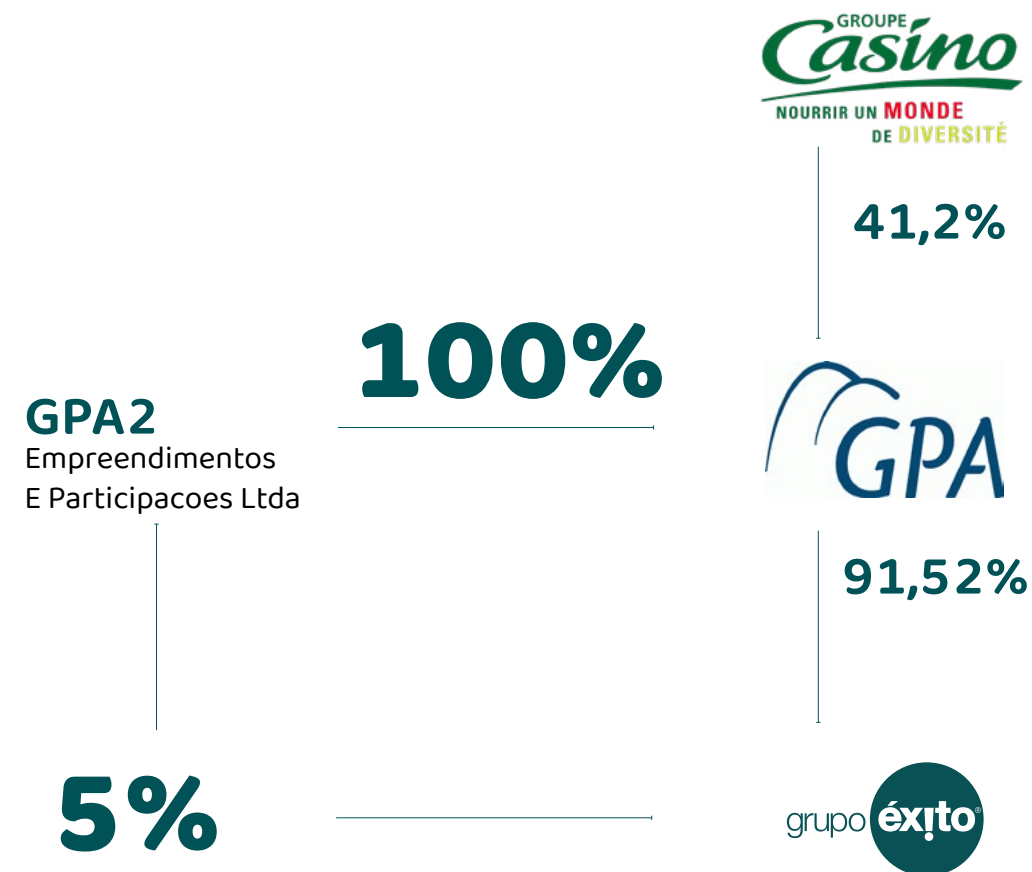


See shareholder structure here

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:

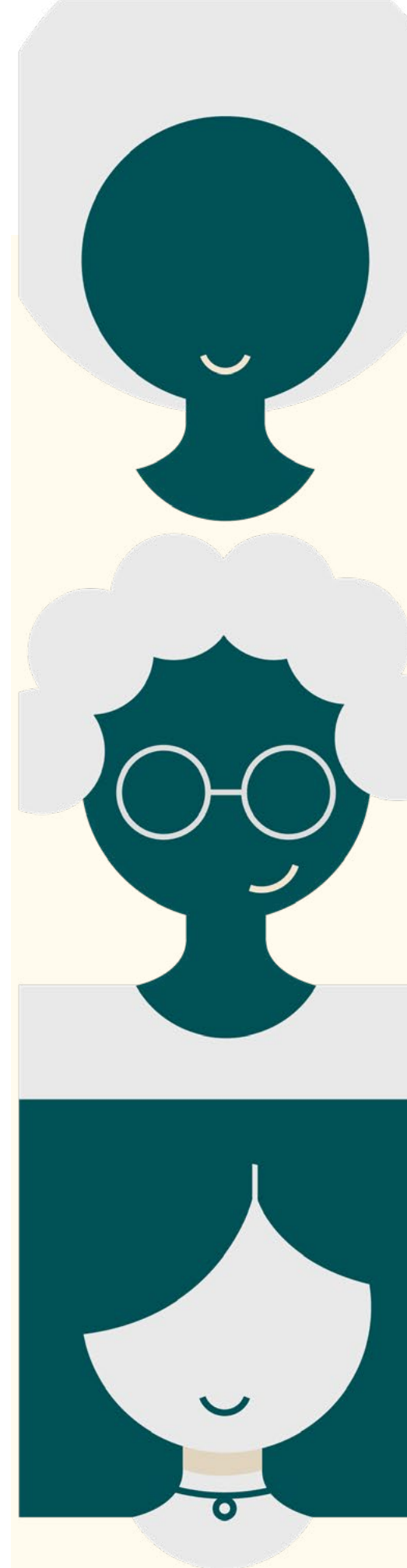
- **Bernard Petit** is an alternate member of the boards of directors of Grupo Disco Uruguay S.A., Supermercados Disco del Uruguay S.A., Odaler S.A.
- **Philippe Alarcón** is a principal member of the boards of directors of Grupo Disco Uruguay SA, Supermarkets Disco del Uruguay S.A., Odaler S.A., and 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



99%

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 members¹⁸

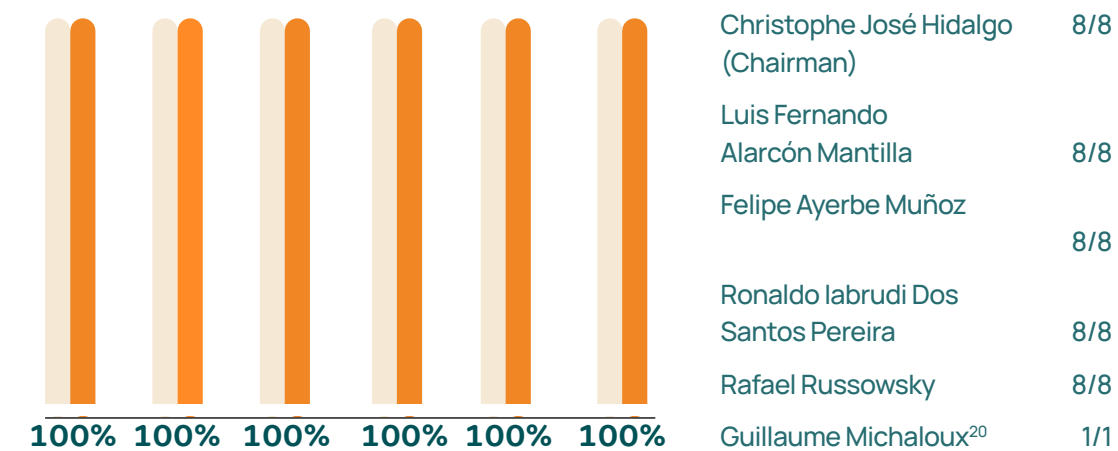


Attendance of invited committee members



Financial Committee

Attendance



Appointments, Remuneration, and Corporate Governance Committee



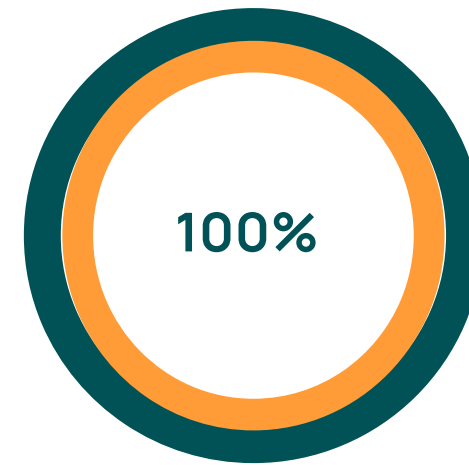
Member	Attendance
Felipe Ayerbe Muñoz (Chairman)	11/11
Luis Fernando Alarcón Mantilla	11/11
Ana María Ibáñez Londoño	11/11
Ronaldo labrudi Dos Santos Pereira	11/11
Peter Paul Lorenço Estermann ²¹	3/3
Philippe Alarcón ²²	8/8

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

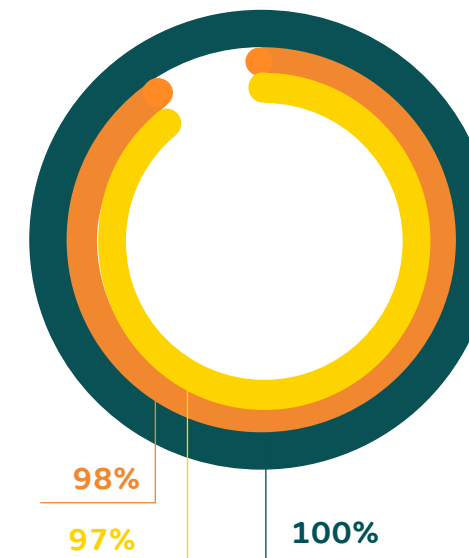
Business and Investment Committee



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

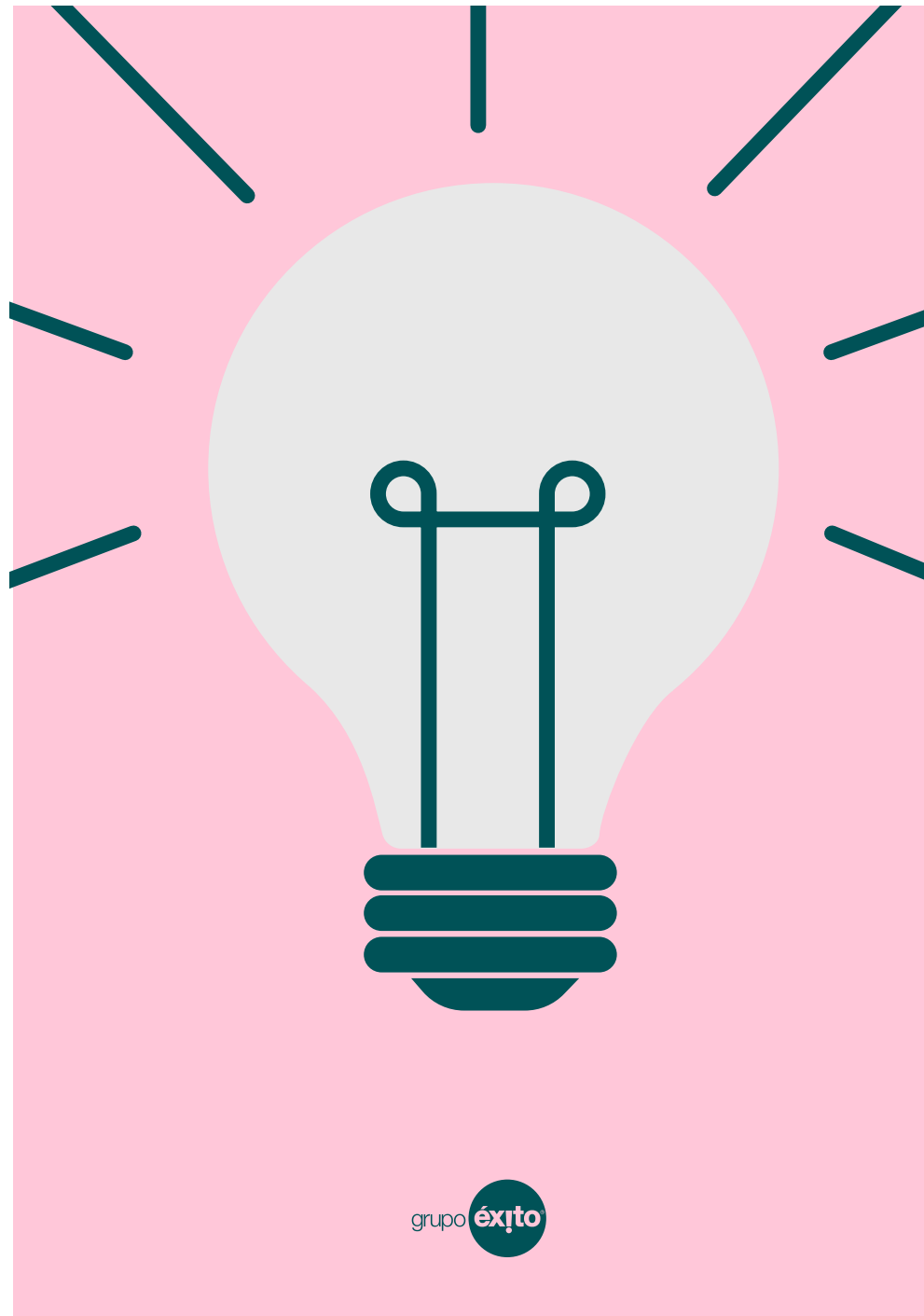
During 2022 the quorum of the Board of Directors was 99%.



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



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

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.

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 of 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.

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.

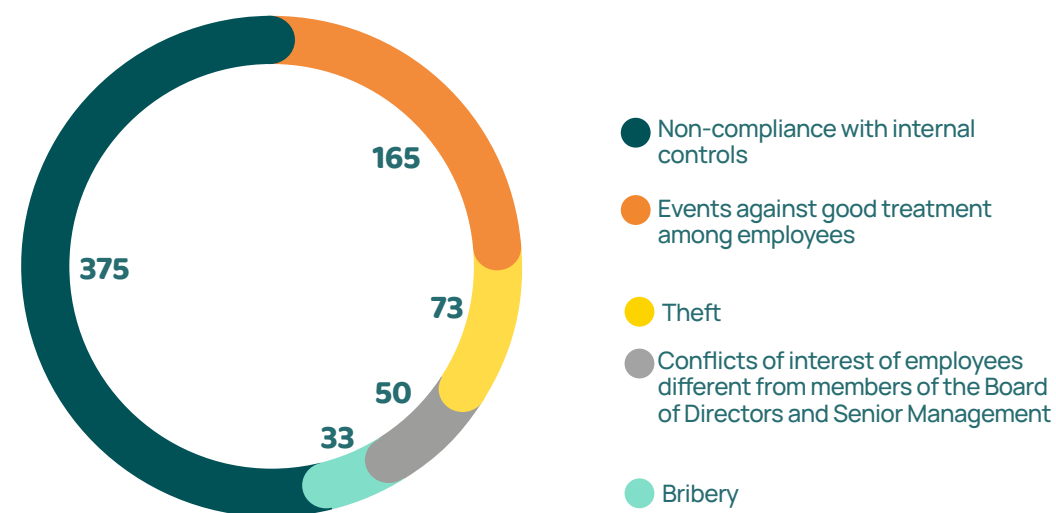
Reporting channels [GRI 2-26]

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:

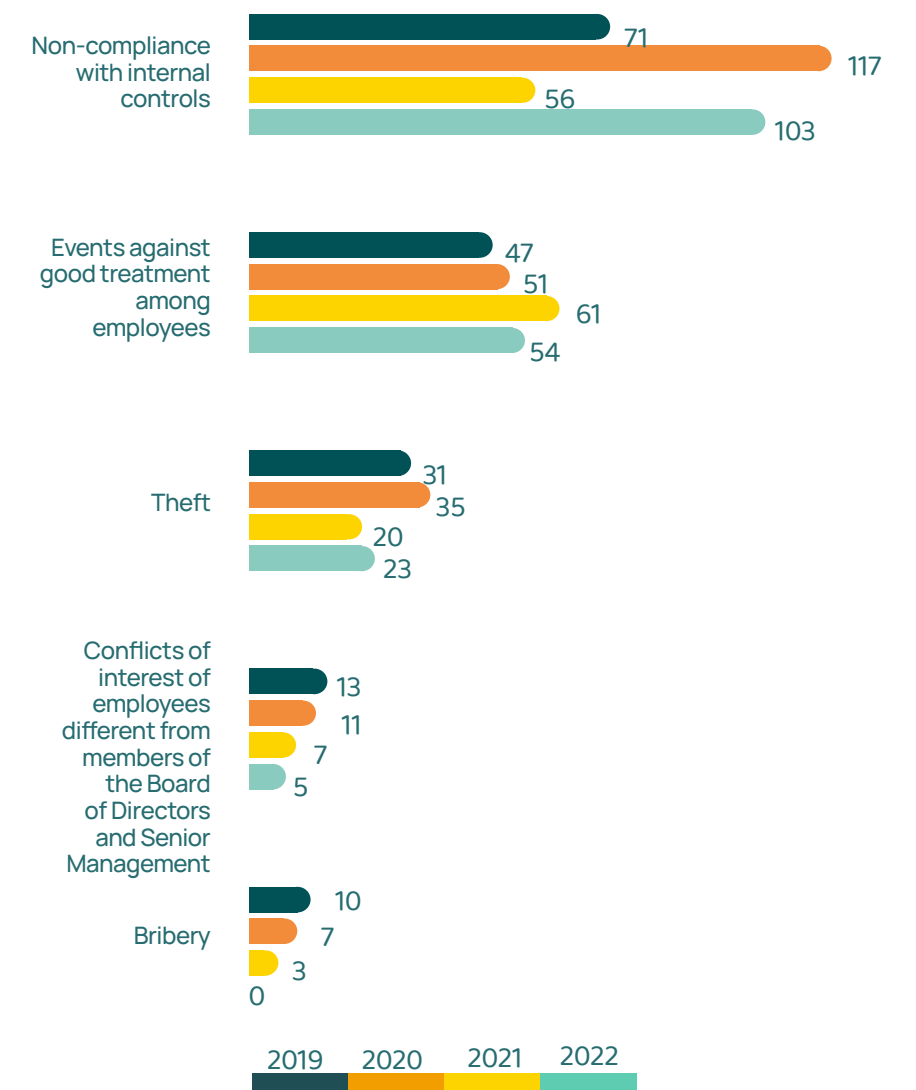
Top 5 cases received for alleged non-compliance with Transparency Program provisions



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



Nourishing
Colombia with
Opportunities

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.

[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

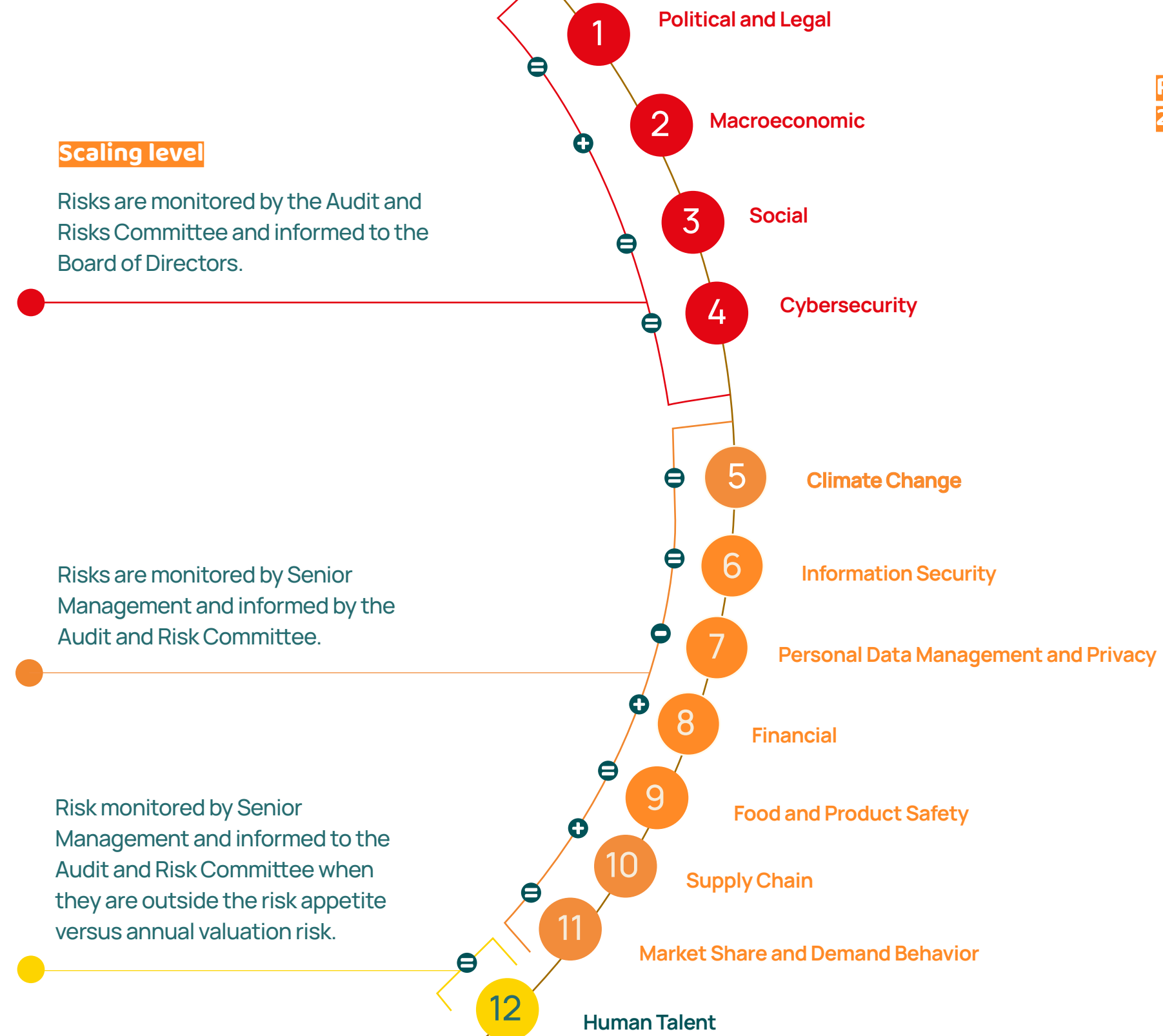
Risks are monitored by the Audit and Risks Committee and informed to the Board of Directors.

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



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.

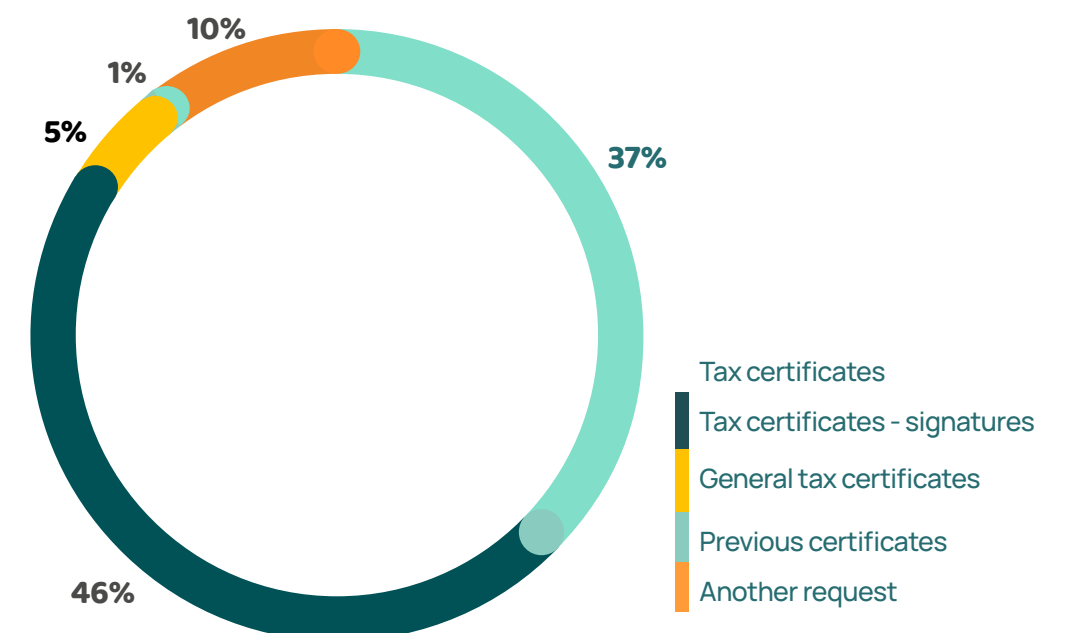
For more information on the shareholder protection mechanisms implemented by the company, [click here](#).

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).

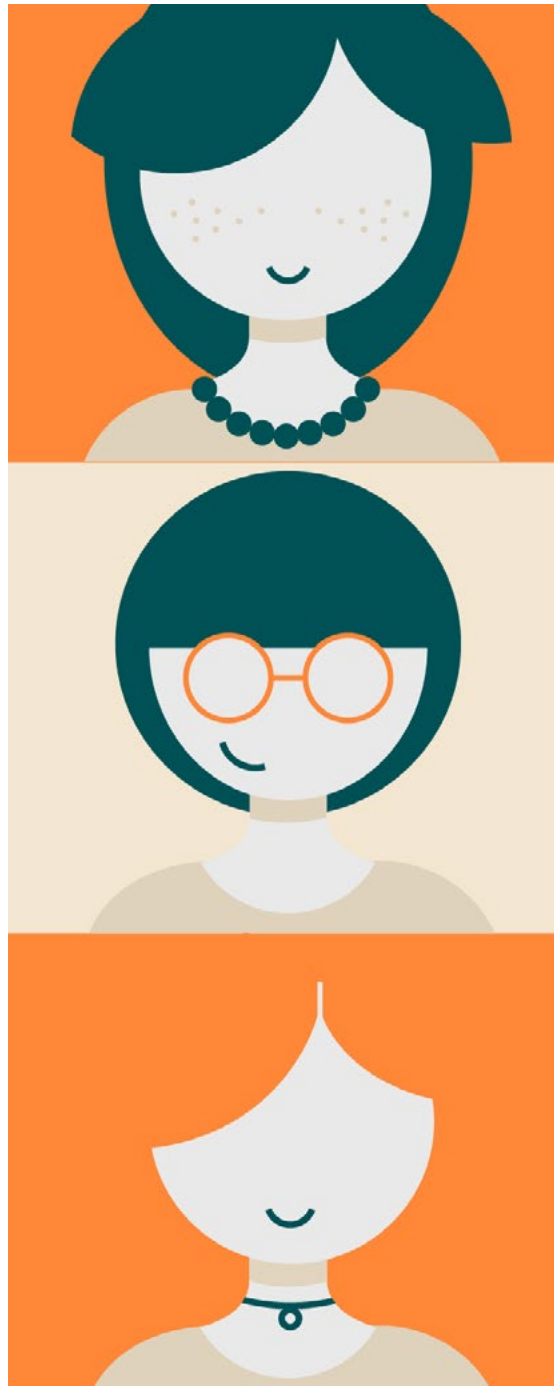
Sustainability Report

- ↕ Materiality Analysis
- ↕ Sustainability Risks
- ↕ Sustainability Strategy
- ↕ Zero Malnutrition
- ↕ Sustainable Trade
- ↕ My Planet
- ↕ Healthy Lifestyle
- ↕ The success of Grupo Éxito is in its people
- ↕ Governance & Integrity



*This Integrated Report was created using the GRI Global Reporting Initiative methodology, an international standard that represents best reporting practices from throughout the world.

#UnrÁbolALaVez campaign aims to enhance forest cover, restore watersheds, and safeguard biodiversity throughout the country.



Forward-Looking Statements

This report contains certain forward-looking statements with respect to the sustainability goals of Almacenes Éxito S.A. (the “Company”) and its plans, intentions, expectations, assumptions, goals and beliefs regarding its business. These statements include all matters that are not historical fact and may be identified by the use of words such as “believes”, “expects”, “anticipates”, “intends”, “estimates”, “should”, “will”, “shall”, “may”, “is likely to”, “plans”, “targets,” “goals,” “outlook”, “target”, “KPI” or similar expressions, including variations and the negatives thereof or comparable terminology. These forward-looking statements include, among other things, statements about expectations in connection with the Company’s environmental, social and governance (“ESG”) initiatives, including the targets and goals set forth in this report.

The Company cautions that its forward-looking statements are subject to risks and uncertainties that could cause actual results to differ from those expressed in, or implied or projected by, the forward-looking information and statements in this report. Important factors that could cause actual results to differ from those anticipated in these forward-looking statements include, among other things, the extent of the Company’s ability to meet its ESG goals and targets and the specified KPIs set forth in this report. In light of these and other risks, uncertainties and assumptions, the forward-looking events described in this report may not occur. The forward-looking

statements speak only as of the date of this report. The Company undertakes no obligation to update or revise any forward-looking statement, whether as a result of new information, future events or otherwise. All subsequent written and oral forward-looking statements attributable to the Company or to persons acting on its behalf are expressly qualified in their entirety by the cautionary statements referred to above and contained elsewhere in this report.

Except where noted, the information covered in this report highlights the Company’s ESG performance and initiatives for fiscal year 2022. The inclusion of information in this report should not be construed as a characterization regarding the materiality or financial impact of that information. Moreover, this report may use certain terms, including those that the Company or others may refer to as “material,” to reflect the issues or priorities of the Company, its subsidiaries, and its stakeholders. Used in this context, however, these terms are distinct from, and should not be confused with, the terms “material” and “materiality” as defined by or construed in accordance with securities, or other, laws or as used in the context of financial statements and reporting.

This report may contain links to or information from other Internet sites. Such links and information are not endorsements of any products or services in such sites, and no information in such site has been endorsed or approved by the Company.

Materiality Analysis

[GRI 3-1] The materiality analysis is a method that allow us to identify the most important and interesting topics for the organization in areas related to social, environmental, economic, and corporate governance matters. Every two years, material issues are measured and quantified to respond to the constant change of the environment, market dynamics, stakeholder expectations, global standards, mega trends, and sustainability evaluation organizations in relation to issues that may influence their relationship with the company.

This year, for the first time in the company, we conducted the exercise using the **“Double Materiality”** method, which provided us with a greater understanding of what stakeholders think is important.

This technique enabled us to create time frames to assess issues that will be critical in the near, medium, and long term. The company’s initiatives are aligned with the materiality and topics prioritized by the various stakeholders **[GRI 2 29]**.

The Sustainability Department conducted the measuring process **[GRI 2-13]**. To establish the prioritization of strategic issues, we considered these five steps:



Step 1 Identification of topics

We reviewed external inputs through benchmarking: Megatrends, Sustainable Development Goals, sustainability standards, and sustainability indexes, among others.

Also, internal inputs, such as, the company’s sustainability strategy, policies, corporate risks, and parent company’s materiality.



Step 4 Cross reference and prioritization

We weighted the information collected in previous stages and created a prioritization matrix in which we evaluated impacts related to sustainability on the X axis and financial effects on the Y axis



Step 2 Definition of stakeholders **[GRI 2-29]**

We developed a map solution to select the key actors to be consulted in representation of prioritized stakeholders, from which we considered the following: Board of Directors, Senior Management, employees, customers, suppliers, opinion leaders and media outlets, sustainability-focused academies, and community leaders.



Step 5 Validation

To focus the management system on strategic issues, we submit for their approval the Materiality Matrix to Senior Management and the Sustainability Comitee of the Board of Directors **[GRI 2-14]**.

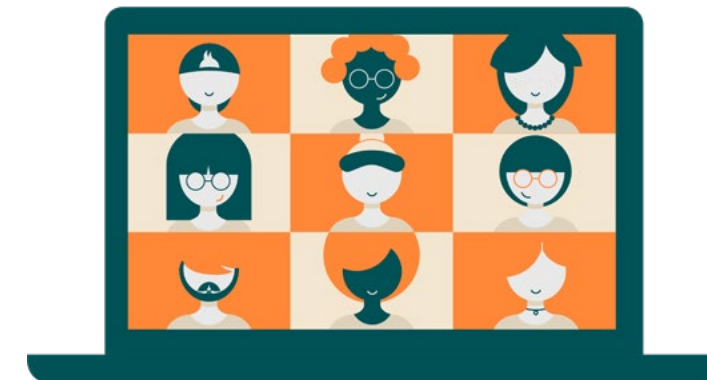


Nourishing
Colombia with
Opportunities



Step 3 Dialogue with stakeholders

We conducted interviews and surveys with more than a **thousand people**, from different stakeholders, to identify their most relevant topics, in terms of financial impact and of Environmental, Social and Governance ESG impact. In this way, we applied the double materiality methodology.



As a result of this exercise, we present below the company’s material issues for the period 2023-2025, **[GRI 2-16] [GRI 3-2]**:



Learn about Material
Analysis here.

Strategic Topics [GRI 3-2] [GRI 304-2]

The following topics show the strategic and relevant focuses to continue Nourishing Colombia with opportunities:

1. Climate Change

Manage the carbon footprint and promote sustainable mobility on different fronts: logistics, employees, and customers.

2. Local economy and inclusive businesses

Promote of local and direct (without intermediation) purchases, favoring the productive communities and vulnerable populations or those affected by violence.

3. Circular economy and packaging's

Promote the different principles of the circular economy: reduction, redesign, reuse, and recycling by enabling post-consumption programs, the correct management of waste in the company's facilities and the work toward eco-design in packaging.

4. Managing food waste

Develop programs to prevent food waste and promote food donation to banks and authorized institutions for their management.

5. Biodiversity conservation

Protect biodiversity through strategies that promote deforestation-free supply chains and work toward conservation.

6. Enabling Fundación Éxito's strategy

Encourage social investment and generation of resources for child nutrition initiatives associated with the mission of Fundación Éxito.

7. Diversity and inclusion

Promote respect for human rights, equal opportunities, accessibility in facilities, and inclusive, diverse, and equitable employability programs.

8. Supply chain management

Identify the suppliers as well as the social and environmental aspects of our supply chain. that allow for mutual growth and the creation of shared value.

Grupo Éxito's Materiality



Relevant Issues

9. Human Rights.

Emerging Issues

10. Develop our work associated with communities
11. attract, retain, and develop talent
12. Democratizing healthy lifestyles
13. Animal welfare in production practice
14. Contribute to long-term economic performance and financial stability
15. Cybersecurity and data protection
16. Living wage

Transversal Issues

Transversal issues were not prioritized for analysis. However, they are managed transversally in the company.

- Achievement of good governance and risk management practices
- Innovation
- Educating the consumer on the Sustainability Strategy issues
- Management of ethics and compliance (habeas data)
- Digital transformation
- Promotion of public policy and alliances to promotion of the Sustainability Strategy
- Management of health and safety at work
- Communication and relationship with stakeholders

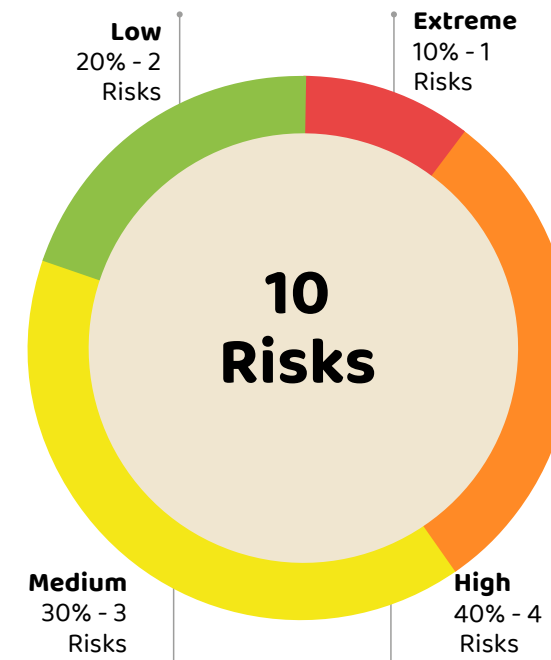
Sustainability Risks

[GRI 2-12] [FB-FR-430^a.3]

The main strategic risks associated with the company's sustainability were identified under the leadership of the Risk Management team. The ISO 31000 methodology was applied and had the validation of the Corporate Committee.

This assessment is done every two years. The risks encountered outline the dimension of the impacts on the company and allow us to establish control measures, as well as associated strategies for social, environmental, and economic issues.

Distribution by severity



Community engagement

Biodiversity and deforestation

Circular economy (Packaging)

Social Impacts on the supply chain

Climate change

Health and nutrition

Occupational health and safety

Nondiscrimination, diversity, inclusion, and equity

Good business practices (Governance, Ethics, and Compliance)

Inclusion and solidarity (Fundación Éxito)



Community engagement

Risks associated with misperceptions about the relationship with communities may affect trust with them and the company's operation.



Biodiversity and deforestation

Risks associated with the damage to biodiversity and/or deforestation linked to products marketed under the company's private label that contain edible palm oil or meat products (beef).



Circular economy (packaging)

Economic and environmental risks related to non-reduction of packaging (eco-design and bulk), reuse, and packaging recycling (especially plastic).



Social consequences in the supply chain

Risks of non-compliance by suppliers with regulations and commitments assumed by the company concerning the protection of human rights and fundamental freedoms. This non-compliance is associated with child labor, forced labor, discrimination, lack of freedom of association, non-payment of minimum wage, and occupational health and safety deficiencies.



Climate change

Physical risks related to extreme weather events (associated with climate change) and market transition, reputational, policy and/or regulatory risks.

We are driven

to contribute to our country's growth and well-being through our Superior Purpose: Nourishing Colombia with Opportunities.

[GRI 2-22] [GRI 3-2]

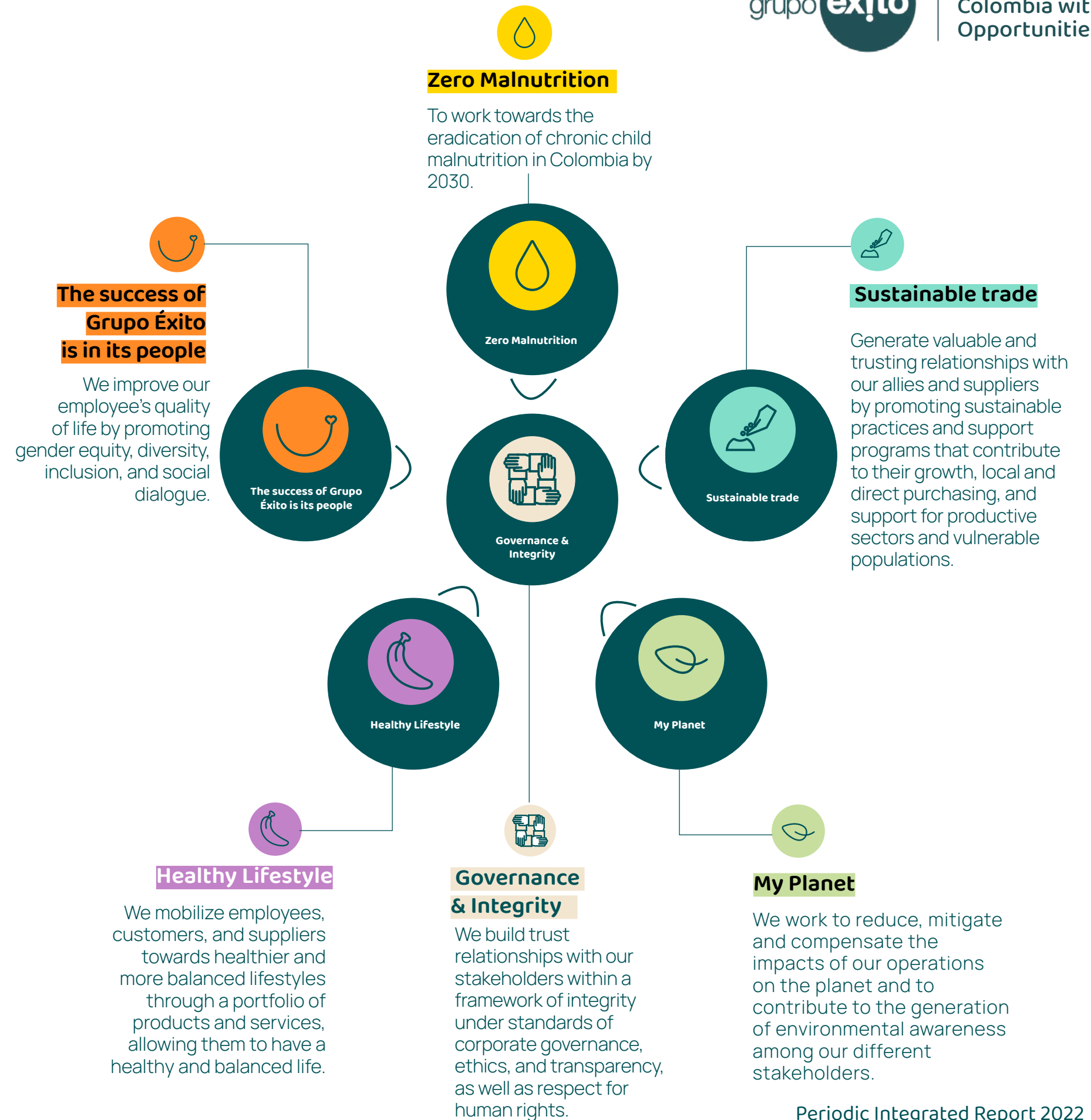
In 2022, the company's Superior Purpose was presented through a manifesto: "We believe in the power of building a country together. We dream of a country field with solidarity responsibility, transparency, and lasting relationships in which we take care of each other and take care of the planet.

We continue to nourish Colombia with opportunities through our commitment to the nutrition of our country's children, contributing to the development of our suppliers and co-creating with them the best ideas, betting on the Colombian countryside by generating actions aimed at protecting our planet, the biodiversity, and natural resources, raising awareness among our stakeholders to

walk towards the same goal, promoting diversity and equity, democratizing the trade of products and healthy habits that carry care of people's lives.

The well-being of our employees inspires us, the generation of dignified and quality employment, and the construction of relationships based on trust to serve Colombia and its people with love..."

This is why we **orient our actions lighted by our Superior Purpose** and, based on it, we established our Sustainability Policy, framed in the Sustainable Development Goals and the Global Compact guidelines, and followed six challenges declared by the company.



Zero malnutrition

We nourish Colombia with opportunities through our corporate Social MEGA, which aims to achieve the first generation with zero chronic malnutrition in our country's children under 5 years



We work, on these fronts to achieve this:

- Generating and transferring knowledge
- Generating resources and alliances
- Communicating and raising awareness
- Having an impact on public policy



In Colombia, one out of every nine children is not growing up healthy because he/she suffers from chronic malnutrition. It is estimated that there are close to half a million children in this condition.



I am very grateful to Fundación Éxito, it has been a tremendous help. I have 4 daughters, I dedicate myself to their child raising while my husband works, so it is very useful for us to be considered. The advice of psychologists, pedagogues and nutritionists is excellent, it has allowed me to learn a lot and even get out of the routine.

Ayela Orozco, is a mother who has benefited from Fundación Éxito



60,046
Boys and girls

received better nutrition for body and soul in **27** states and **192** municipalities.

▼
17.20%
less than
in 2021.

57.52%
are benefited
from nutrition programs

42.47%
in complementary programs. [GRI 3-1]

200,403
food packages

were donated.

▼
7.79%
less than
in 2021.

Chronic Malnutrition: a silent threat

Since 2013, Fundación Éxito has been leading the cause against chronic malnutrition, an intense fight to eradicate hunger and combat this silent evil that stops the healthy growth of more than half a million children nationwide.

Among the types of child malnutrition, **chronic malnutrition has a characteristic that makes it even more severe: it is silent.** At first glance, children do not look sick, but their brains are not growing as they should.

Chronic malnutrition is a condition that alters the physical and cognitive development of children. **The first 1,000 days of life** present the most significant risk of malnutrition but also the greatest opportunity to eradicate it.



You can learn more here



The **"Goticas"** is a revenue source through clients, allowing us to bring nourishing care to various regions of our country.



Colombian children deserve the opportunity to grow up with zero chronic malnutrition.

34,540

Children (boys and girls)

benefiting from nutrition programs

31,469

Children (boys and girls)

under the age of two received complementary food supplements during their first thousand days, same as **3,071** children (boys and girls) between the ages of two and five.

▼
35.38%
less than
2021.

▼
24.47%
less than
2021.

25,506

children (boys and girls)

in support programs: "Nutrición para el alma" (Soul nutrition) (reading, music and training of educational agents).

▼
47%
less than
2021.

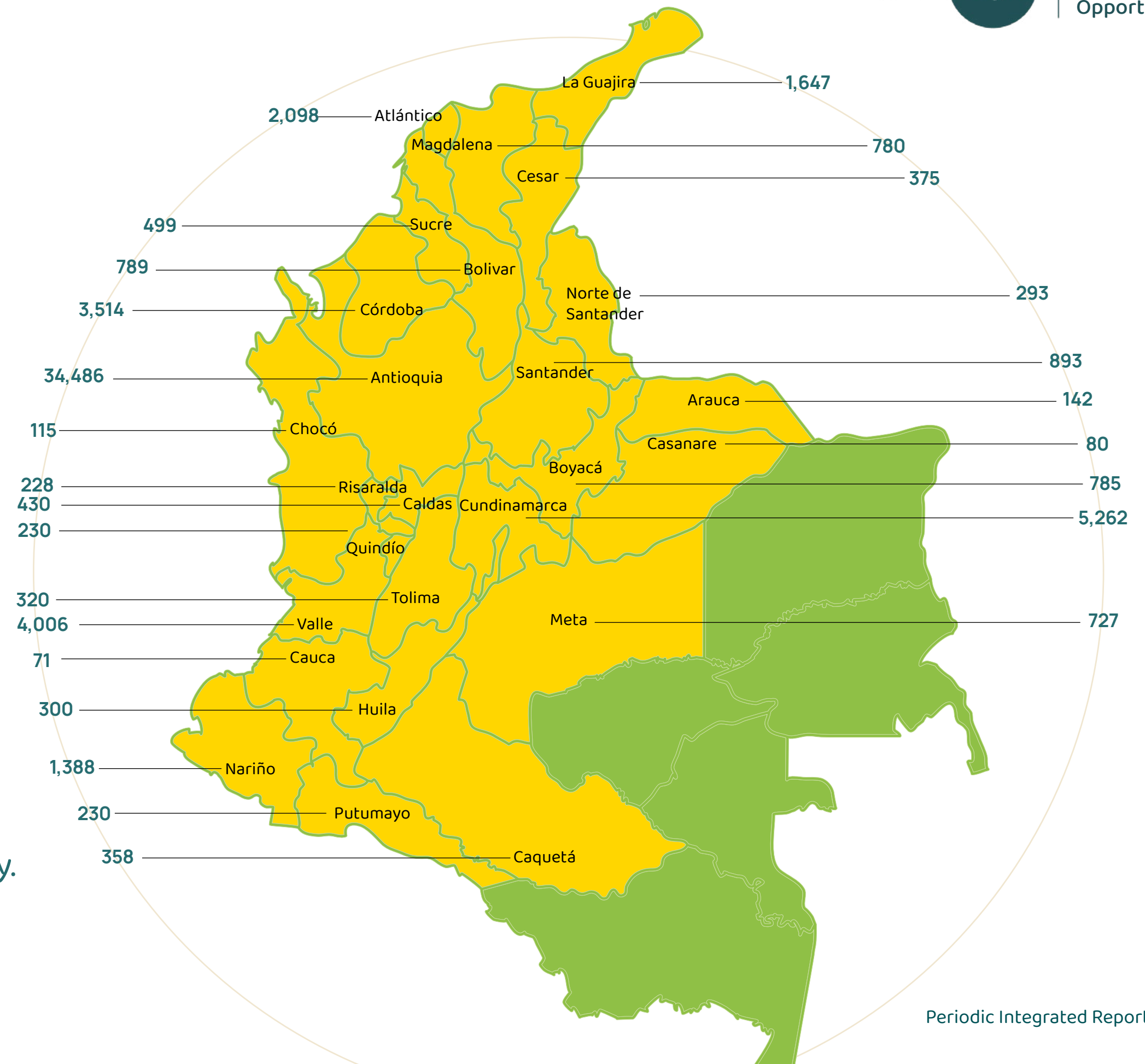
* The reduction is due to higher food price inflation in 2022, which limited coverage growth in the number of children benefited and food packages delivered.

More than 60 thousand children benefitted in the different states of our country

40%
of Colombia's municipalities

have conditions to generate chronic malnutrition, so the country's under-five population is at risk from suffering this condition.

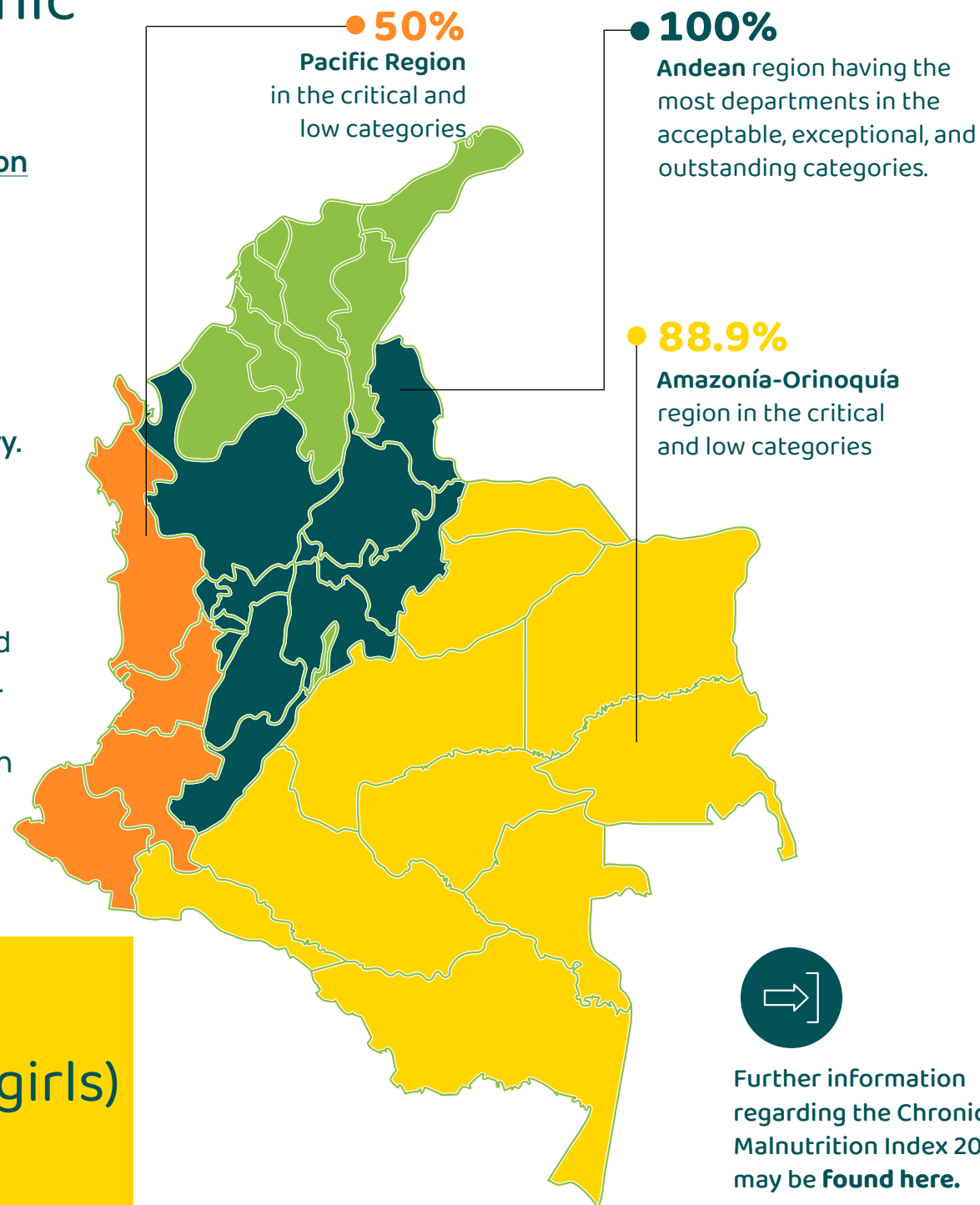
Studies show, that a child with chronic malnutrition before 2 years can have **14** points less IQ in adulthood, **5** years less education, and **54%** less salary.



1 out of every 9 children in Colombia suffers from chronic malnutrition.

The results of the **Chronic Malnutrition Index 2022**, carried out annually by **Fundación Éxito** in Colombia and built using data from official sources, show the behavior of the disease between 2015 and 2020, analyzing **14 determinant variables in 1,121 municipalities and towns in the country.**

Each variable was categorized according to the children's risk of suffering from chronic malnutrition, such as: zero critical, low, medium, and satisfactory outstanding malnutrition. A total of 45 municipalities were not included due to the absence of data on some of the variables analyzed.



1,026,491 children (boys and girls) under 5 years of age are at serious risk of suffering from chronic malnutrition.



Further information regarding the Chronic Malnutrition Index 2022 may be **found here.**

“ It is important to understand the social dynamics that cause the origin to health inequities, understanding that these are the expression of a set of socioeconomic and cultural factors, on which interventions aimed at eradicating chronic malnutrition, preventing disease and promoting health should be based. ”

Fundación Éxito's director, Paula Escobar

Nutritional education to raise awareness

- The Early Childhood Nutritional Health Conference was held, and almost 5,000 attendees were updated by specialists from five continents.
- The conference “When and Why Breast Milk Saves Lives” was delivered, a nutritional education proposal carried out in alliance with Casa Editorial El Tiempo and the World Health Organization expert Chessa Lutter, was held for 1,350 people who joined virtually.

Fundación Éxito: 40 years nourishing lives




Fundación Éxito celebrated its 40th anniversary by presenting the **19th Child Nutrition Award**, recognizing those working for children's nutrition in Colombia.

To celebrate **#40AñosFundaciónÉxito**, three gifts were given to protect the lives of the most vulnerable early childhood in Colombia:

◀◀ • From taste with Goticas to higher knowledge:

Diego, a Goticas beneficiary, received a scholarship to study Civil Engineering at EAFIT University in Medellín. In his early childhood, this young man was able to feed himself better thanks to the Goticas. He received a scholarship as a gift to become a professional. More than COP 100 million, which the Foundation and the donors of the Goticas add for his life and the development of Colombia.

 Watch the complete transmission of the 19th Child Nutrition Award [here](#).

 Find out more [here](#)


“ The secret of Fundación Éxito: to be reborn before each child whose life is protected and nurtured ”

Gonzalo Restrepo,
chairman of the
Fundación Éxito's
Board of Directors.

• We are moved by a healthy childhood:

The Manaure rural community now enjoys the first immunization facility for the Wayuu mother and child population.

To achieve zero malnutrition, vaccination must be ensured. Disease breeds malnutrition and malnutrition breeds disease.

 Find out more [here](#).



• We are inspired by the lives of children and their families:

in Mitú, new portable diagnostic aids travel to the communities to protect children and pregnant mothers, mainly indigenous.

A mobile ultrasound scanner, a hemoglobinometer, and cervical cryotherapy guns, were delivered. Additionally, humanized delivery rooms that respect the indigenous populations' knowledge and ancestry practices will be made available.

 Find out more [here](#).

An action of love that generates positive social mobilization



Every year, breastfeeding saves more than **800,000** children's lives worldwide.

Breast milk is the best antidote against chronic malnutrition. The hashtag **#Lactatón** reached more than **13.5 million people** on Twitter and was the second trending topic on this social media on *Lactatón day*. We nourish opportunities for the most vulnerable people by donating food.

Through food contributions we provide opportunities for those who are most in need

[GRI 3-1]



The prioritized population is socioeconomically vulnerable and has low gestational weight, low birth weight, critical malnutrition, or chronic malnutrition.



1,256
tons
of food



102
tons
non-food

were donated to **23 food banks and 240 partner foundations** and organizations.

Recovery of agricultural excesses through Fundación Éxito

Fundación Éxito financed the agricultural excess recovery program (Reagro), whose management in Antioquia prevented the loss and waste of 2,098 tons of surplus from farmers' harvests, benefiting 143,854 people.



Find out more about Reagro here.



EatCloud

61,656
adds on

EatCloud.



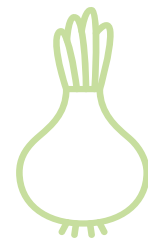
5.34%
More than in 2021.

By managing donations, this online platform aims to transform the food industry.

Terrazas Verdes: cultivating life, dreams, and new opportunities for Children

As a result of the Terrazas Verdes initiative, some women who are household now have occupations taking care and maintaining the hydroponic crops on the terraces of Comuna 13 in Medellín, while also taking care of their children without having to leave their homes.

In one year, 7 tons of nutritious food were grown for the community of Medellín, and 300 families benefited through hydroponic lettuce and basil crops, which are later sold in our stores.



300 households

were benefited by the *Terrazas Verdes* crops, which were sold in Éxito Laureles and Carulla Laureles.



Carlos Sánchez, el Nene, leader of Terrazas Verdes in Medellín's Comuna 13.

“Terrazas Verdes allows us to sow opportunities to harvest the Comuna’s families welfare. We hope that by creating these spaces, people will be able to dream big and change their reality while also feeling proud of who they are and where they’ve come from”

Early childhood care in Valle del Cauca

In Cali, Fundación Éxito contributed to the Huertas Urbanas project, which seeks to promote urban agriculture to ensure food security in the city. This initiative began in April of this year and will benefit 90 children in this territory.

A children's collection with purpose

People and Finlandek, Grupo Éxito's private labels, in alliance with La Pequeña Galería and with the support of Fundación Éxito, launched their first children's fashion collection, whose sales contributed to the provide food for 400 children.

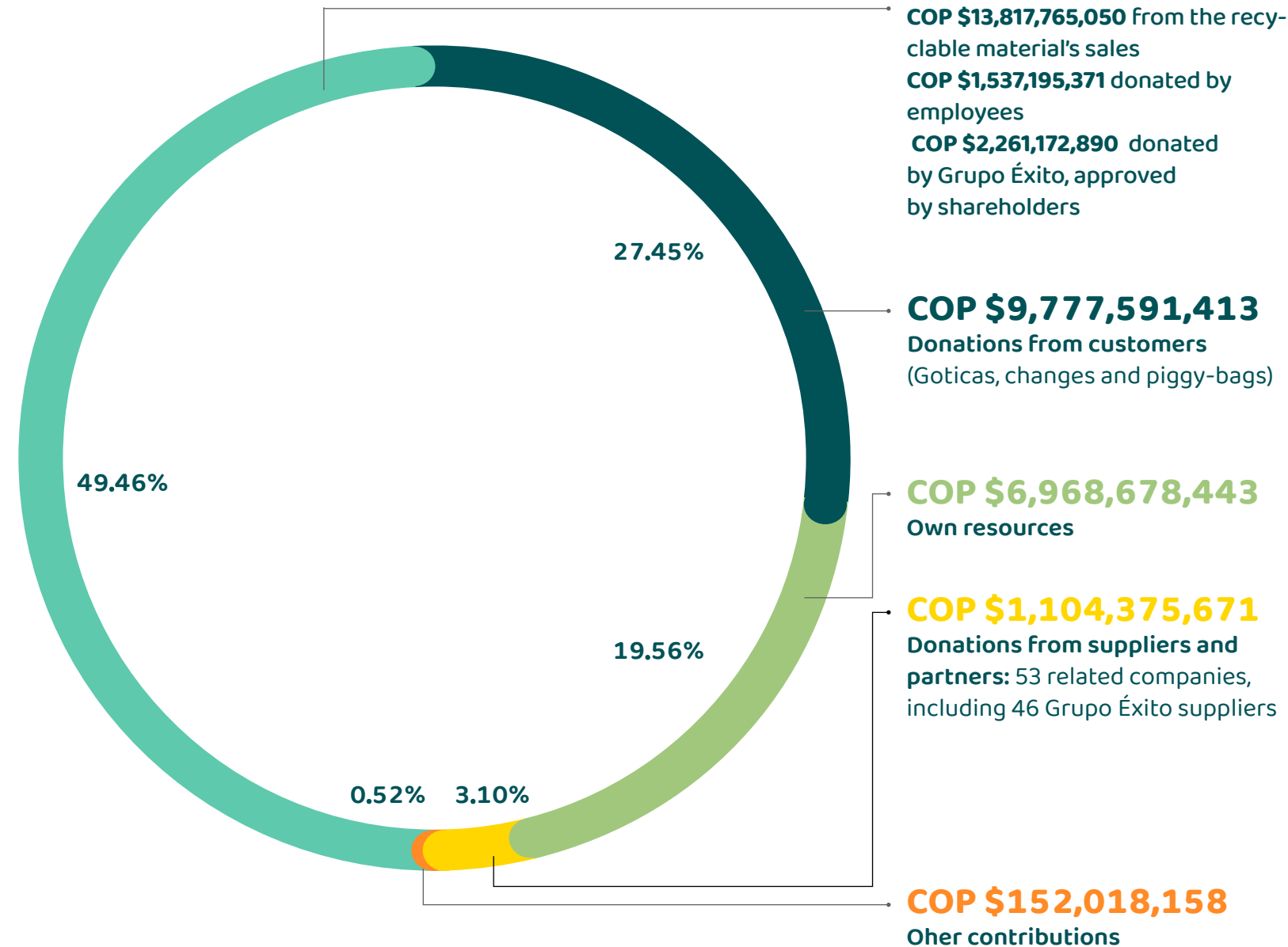


5% of the sales of this collection were destined to provide supplementary food to the little ones and their families.

Wills that sum up the country's children's nutrition

Fundación Éxito had a total revenue of COP 36 million, thanks to the contribution of various partners.

▲
11.52%
more than
2021.



100% of social investment

was dedicated to projects in favor of the community.

COP \$17,616,133,311

contributed by Grupo Éxito
COP \$13,817,765,050 from the recyclable material's sales

COP \$1,537,195,371 donated by employees

COP \$2,261,172,890 donated by Grupo Éxito, approved by shareholders

Contribution type

Figures in COP



Contributions in cash
COP \$21,374,814,366



Volunteer time from employees
COP \$9,858,511



Donations of products and services
COP \$11,479,965,314



Management expenses
COP \$929,062,227

Child Nutrition in the national public agenda

Fundación Éxito makes a permanent effort to ensure that child health and nutrition are prioritized in the national public agenda, through public policy advocacy work based on the generation of knowledge and active participation, both in social networks and in national and international collectives.

The Foundation is also part of *NiñezYa*, a network of more than **200 civil society organizations** whose joint mission is to advocate for children's rights. From this collective, it led the approach of all the campaigns for the Presidency of the Republic to prioritize nutrition and children's rights in their proposals. This included meetings and analysis of government programs, as well as contributions to the National Development Plan 2022-2026.



Find out more [here](#)



Participation in strategic areas

At the "Together for Early Childhood" summit of allies, Fundación Éxito took part in the discussion of Colombia's development with a request for its importance on the public agenda and via the presentation of ideas for the National Development Plan.

In a similar spirit, but with a regional focus, the Fundación Éxito collaborated with the civil society networks of Mexico, Peru, and Brazil to create the Lima Declaration. The leadership of Fundación Éxito, along with more than 25 expert organizations in nutrition and food security, in the creation of the Civil Society of Global Movement Network Scaling Up Nutrition (SUN), and the participation in the regional meeting of the SUN Movement in Panama, where a joint declaration was presented to the government of Colombia, are two ways that the work in favor of child nutrition is being projected internationally.



Find out more [here](#)

Achievements for 2022 [GRI 3-3]

- 60,046 children benefited from the aim of coverage and social investment, with a social investment of COP 21,375 million.
- Fulfillment of the Goticas budget, recycling goals, and overall income.
- More than 13 million users reached on Twitter with the hashtag #Lactaton
- Establishing our communication and interaction model with Fundación Éxito's beneficiaries and surrounding community.
- 40 years of Fundación Éxito
- Three presents were sent nationwide to La Guajira, Vaupés, and Antioquia.
- A record number of donation certificates delivered: 232,000

Challenges for 2023

- To continue providing coverage across the nation, Fundación Éxito anticipates raising its revenue.
- To take the steps required to continue caring for 60,000 children by 2023
- To commemorate Goticas' 20th anniversary.
- To impact on the next National Development Plan by establishing an objective on chronic malnutrition.
- To encourage advocacy in the campaigns for governors and mayors.

Sustainable Trade

We Nourish Colombia with opportunities by encouraging local and direct purchasing as well as co-creation with our suppliers.



We work, on these fronts to achieve this:

- Directing local trade
- Development of allies and suppliers
- Promotion of sustainable supply chains



“The transformation of Colombian agriculture is our goal. Together with Grupo Éxito, we provide small farmers the chance to sell their food in big supermarkets and avoid losing their production. This has made it possible for us to reach places like Catatumbo, Urabá, and Cauca, among others, where we can share dreams, contribute to local economies, and provide value for the entire country.”

David Villegas, director of Salvaterra Foundation.



paisSana

PaisSana, a contribution to the reconstruction of our country's social net

[GRI 3-1] [GRI 413-1]

We joined the National Government by launching the PaisSana brand, a brand represented by a heart that symbolizes love for Colombia and becomes a seal of reconciliation stories of the territories in which farmers, victims, and peace signatories work together for the rebirth of the countryside. This country brand promotes productive projects from areas affected by the armed conflict in Colombia as part of the Territorially Focused Development Program (PDET).

PaisSana is located in 45 stores:



23 Exito stores and 22 Carulla stores.



We work with 37 suppliers to contribute to peace, through 114 products (MCP and Fresh).



A total of 559,677 units of MCP and about COP 7 billion in sales.



5 million units in Fruver (fruits and vegetables) and around COP 15 billion in purchases.



In addition to being a center of biodiversity, Montes de María's climate and expanse of greenery make it the perfect location for honey production.



paisana



The Montes de María, a historically forgotten region, has hope today due to honey. Bees represent a brighter future for those of us who work at Apiarios. It is feasible to revive the aspirations of our country and provide future generations in San Jorge with the chance to live in peace and security

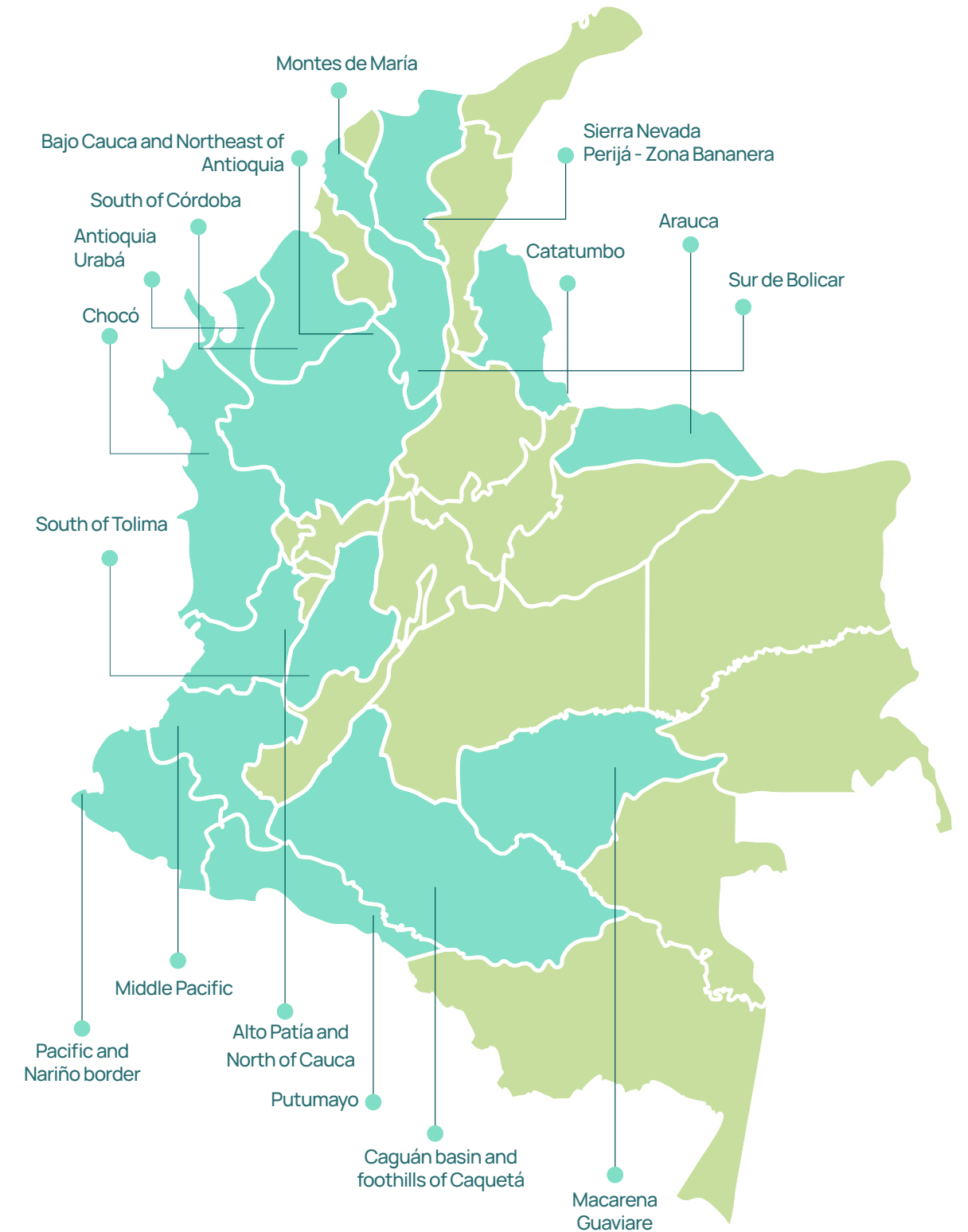


Kettis Rocío Cáceres, community leader and creator of Apiarios, a PaisSana brand.



Find out about
Apiarios here

PaisSana offers products from the following sub-regions:



We create value to transform realities and foster regional development

It represents a commitment to Colombia, to the land's origin, and to the farmers who provide us with the best production; it represents a belief in the growth of the regions by giving them access to new opportunities; it represents the nourishing of opportunities for the nation by supporting the aspirations of millions of Colombians by fostering economic and social development.

Together with **7,392 suppliers across 27 states**, we create sustainable supply chains for **Nourishing Colombia with Opportunities.**

With the assistance of these suppliers, the company controls its supply chain by encouraging local and direct purchasing.

3,000
Commercial
suppliers
1,380
Goods and
suppliers

2,935
real state
agents
80
direct
and **264** indirect in the
textile industry

“

We exclusively use hook fishing to safeguard the species and the waters. We are able to purchase fish from more than 100 artisanal fisherman throughout the fish season, helping their families and, in turn, more than **4,000 people.**

We have been able to achieve this because Grupo Éxito welcomed us and allowed us to trade in violent areas, enabling more Colombians to enjoy fresh fish on their tables. Thus, we fish for peace rather than for conflict.

Supporting artisanal fishing entails avoiding illegal activity and building a network of trade that offers work and fair compensation in distant locations like Bahía Solano.

Gonzalo Chica, Founder
of La Merluza Association.

”





We purchased **98%** of our meat, pork, veal, buffalo and other locally.

▲ **2%** more than 2021.



100% of the pork processed

processed in our industry has the product seal of the PorkColombia association. Additionally, the Granja seal, given by the same organization, is present in around 90% of pork suppliers.



Asociación **porkcolombia**



Find out more about the certification by PorkColombia [here](#).



78% of fish and seafood

is sourced from national suppliers.

▼ **2%** less than 2021.

Believing in Colombia is promoting the transformation in the territories

[GRI 204-1]

Local purchase means developing a relationship with the countryside, appreciating the diversity of our country, and fostering regional economic growth. It means building trusting relationships with people who work the land to support their dreams and believe in the strength of a community as the primary player in the transformation of the territories. It is providing opportunities and contribute their economy by lowering the number of intermediaries standing between small and medium-sized producers and the final consumer.

We met our goal for 2022:



88.78% of the fruits and vegetables,

we sell in our stores are bought nationwide



0.6% less than 2021.

*Depreciation of the Colombian peso has an impact on these KPIS



86.31% fruits and vegetables

were purchased directly from **943 regional farmers**, without intermediaries, through organizations and farming families..



2.64% more than 2021.



To generate trust is to contribute to Colombia's development

We buy locally:

Antioquia

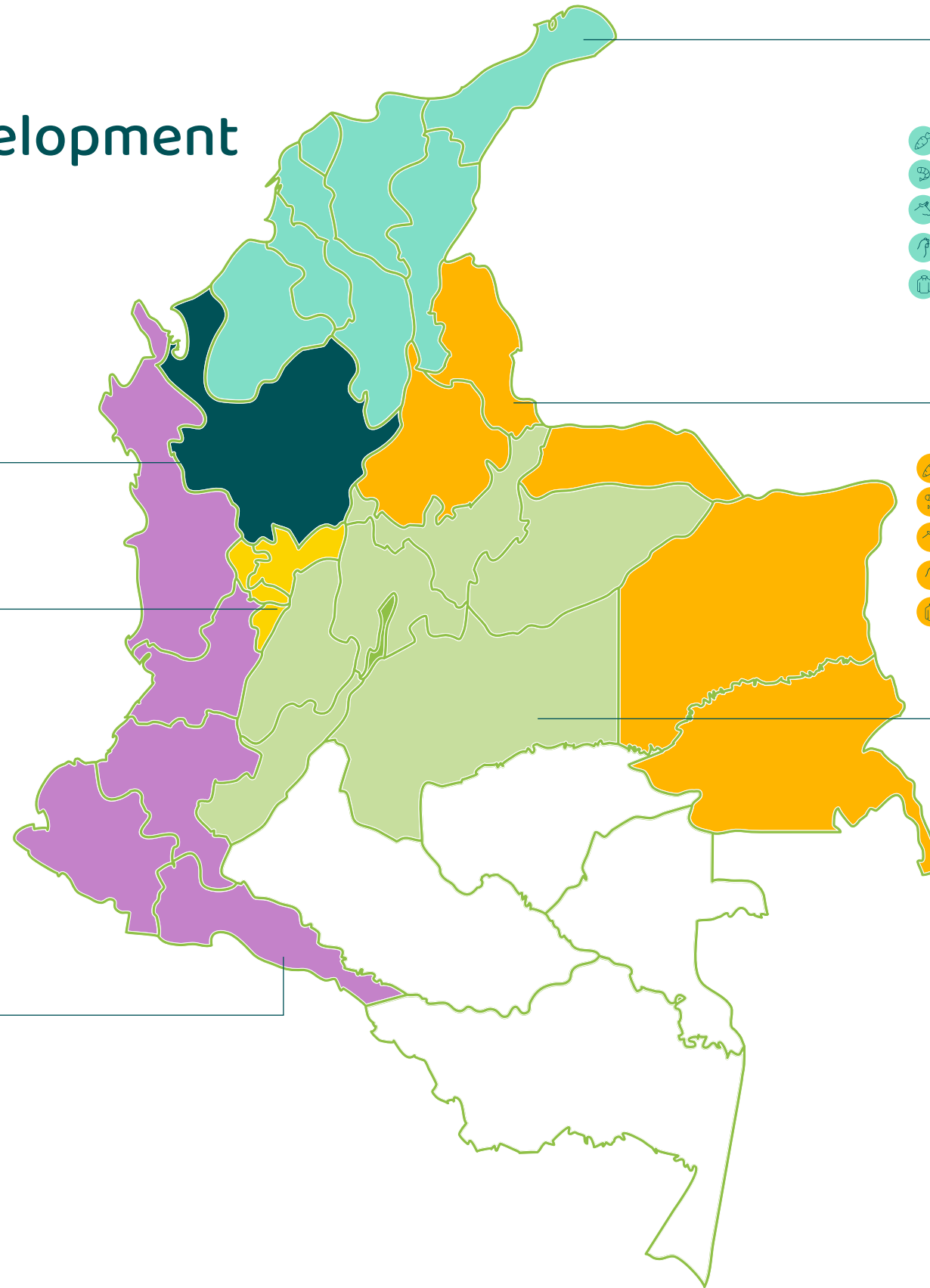
Fruits and vegetables:	17.24%
Seafood:	18%
Meats:	17%
Eggs:	12%
Textiles:	70.15%

Caldas, Quindío, Risaralda

Fruits and vegetables:	7.84%
Seafood:	0%
Meats:	12%
Eggs:	27%
Textiles:	23.77%

Cauca, Chocó, Nariño, Putumayo and Valle del Cauca

Fruits and vegetables:	11.42%
Seafood:	11%
Meats:	10%
Eggs:	0%
Textiles:	0%



Atlántico, Bolívar, Cesar, Córdoba, La Guajira, Magdalena and Sucre

Fruits and vegetables:	2.71%
Seafood:	18%
Meats:	32%
Eggs:	0%
Textiles:	0%

Arauca, Guainía, Norte de Santander, Santander and Vichada

Fruits and vegetables:	16.87%
Seafood:	0%
Meats:	1%
Eggs:	10%
Textiles:	0.13%

Boyacá, Casanare, Cundinamarca, Huila, Meta and Tolima

Fruits and vegetables:	28.95%
Seafood:	30%
Meats:	27%
Eggs:	33%
Textiles:	0.86%



Partnerships to strengthen direct and local purchasing

We work jointly with **24** farmer associations and foundations, benefiting farmers in **28** of the country's departments: Amazonas, Antioquia, Atlántico, Arauca, Bolívar, Boyacá, Caldas, Cauca, Caquetá, Casanare, Cesar, Córdoba, Cundinamarca, Huila, La Guajira, Magdalena, Meta, Nariño, Norte de Santander, Quindío, Risaralda, Santander, Sucre, Tolima, and Valle del Cauca.



6.3
million

from these
foundations
units were sold
throughout the year

We boost

the economy by helping to close gaps that shorten the chain of intermediaries and enhance the conditions for small- and medium-sized suppliers.

Sustainable Trade



Cope one of the 116 suppliers whose goods were previously sold in Almacenes La 14 and are now available at Almacenes Éxito.



Cope: We have **108,086** units sold in more than six stores, the items are already available in Antioquia and Valle del Cauca, and in less than five months, 16 new employees have been hired.



[Click here](#)
to find out about
Cope's history



Our recipe has the magic of my grandmother's hands, with the tradition of 16 years. During this time, we have faced different challenges. One of them was at the beginning of the pandemic, when we started to sell a lot in Almacenes La 14, but it went bankrupt. Just at that moment a guardian angel arrived: Grupo Éxito, which codified us as one of its suppliers. We started the year with 500 kilos per week and we grew so much in sales that now we make 2 tons per day. Thanks to this opportunity that Grupo Éxito gave us, we contribute together to the development of Valle del Cauca and the recovery of local employment

David Arango,
CEO and founder
of Cope





Sangara - San Andrés de Tumaco: a small company that works hand in hand with the peasant and fishing communities of the Pacific, promoting good artisanal fishing practices. **801,495** units of shrimp and fish were marketed.



Comproagro: more than 27,000 families benefited, in 29 departments, thanks to the direct purchase of **727,721** units, with which we achieved around 25% more profit for the producers. This contributes to eliminating the intermediation chain, improving their income and quality of life.



Salvaterra: **441 families** benefited from the direct purchase of **66,951** units of red onion, cucumber, mandarin, pineapple, and Tahiti lemon from PDET municipalities. By supporting producers, we promote territorial development, rural agriculture, good agricultural practices, and added value to products.



Coseche y venda a la fija: With **203,695** units of agricultural products purchased from 6 suppliers in 4 farmers' meetings in Boyacá organized by the national government, we participated in the "Coseche y venda a la fija" program, a strategy aimed at improving the income and quality of life of small Colombian farmers.

We Nourish Colombia with opportunities by providing continuous support, believing in the capacity for creativity, and supporting the country's entrepreneurs.

Together, we do this together with **Promotora de Comercio Social**, a company that supports these micro- and small-business growth and sustainability by assisting them in the purchase of their products and enabling them to realize the sale of their goods and services.

- We held 4 events during the year: Multimarcas, Colombia Explora, Navidad Éxito and Antioquia es Mágica. We reached **79** entrepreneurs and made **642** referrals.

269
MIPYMES

business owners show their products in the Almacenes Éxito, Carulla, Surtimax, and Super Inter

22%
growth

in sales and **3.9%** growth in units

We are inspired by contributing to the development of our allays and suppliers

UNIVERSIDAD
EAFIT

PCS

In alliance with different institutions, such as EAFIT University (through EAFIT Social), Promotora de Comercio Social, Medellín City Hall, Centro Tecnológico de Antioquia, and our corporate volunteers, 201 companies have participated in our training programs on digital environments, diversity, and inclusion with a gender focus, ethics and sustainability, creative and inspiring leadership, and continuous improvement projects, among others.

5
supplier

development programs in **126** hours of training

62
suppliers

involved through Corporate Volunteering

13
suppliers

have found their superior purpose as a result of training in conscious capitalism provided by Comfama and Grupo Éxito's partnership.

#ModaHechaenColombia: 14 collections created by Colombian hands



9,621
employments
generated,

with women making up
70.11% of the workforce,
in **344** workshops spread
over 8 departments.

26%
of direct
suppliers companies are
held or own by women

2,788
clothing

items are made with
organic cotton

97% of the clothing sold under our private
labels are made in Colombia

Sustainable Trade

We are committed to people who are looking for a second chance, since they might not have ever had even one



Segundas Oportunidades Fashion Show:
Johana Bahamón + People, at
Colombiamoda 2022

- 20,000 private label jeans are produced by 125 interns in the Yarumal prison each month as part of our Segundas Oportunidades project and sold in our stores.
- With 140 references, we launched the collection of Johana Bahamón + People Segundas Oportunidades.
- We donated around
COP 22 million
- We donated **COP 150 million** during 2022 in Bonus for Freedom, cards redeemable in the company's private label textile brands, for 1,000 people who have regained their freedom.



Find out here
about the Segundas
Oportunidades
initiative



Together with Grupo Éxito, we are generating second chances for the prison population, most of whom have not had their first opportunity. Everyone in life has received a second chance. Through this initiative, it is time for Colombia to give it to many post-penalty prisoners through fashion, giving them hope and dignity

Johana Bahamón



**Our brands
Arkitekt, Bronzini,
and People
were given
the CO₂CERO
Sustainable
Fashion Gold Seal.**

We strengthened valuable relationships with our suppliers, recognizing the path we work on together daily

Fourteenth edition of the Éxito's Suppliers Contest 2022

A recognition of the suppliers with whom we build a win to win, close, and productive relationship allows us to work together for our higher purpose: Nourishing Opportunities for Colombia.

- Our allies were awarded in **14 categories**, with over **100 companies** nominated. Their adaptability to change, innovation, digital strategy, social and environmental components, value generation, and logistics excellence were the characteristics highlighted in the winners.



You can meet the evening's winners [here](#)



Winners of the Éxito's Suppliers Contest 2022.

Winner of the Sustainable Development category: Asobrangus Comercial S.A.



This moment is very important for us, as it is the third time we have participated, and it is the recognition of an effort that drives us daily to continue working for sustainability and a better country.

Juan Pablo Ortiz, Asobrangus manager.



Find out here about Asobrangus's work.

We work together with our Aliados Super Inter and Surtimax





319% more customers

use Mi Surti app, a digital distributor for shopkeeper development, compared to 2021



in total, 1,647 merchants participate

in the Surtimax and Super Inter Allies program.

Achievements for 2022 [GRI 3-3]

- Approached 93 new local suppliers.
- Launch of the Paissana brand to promote productive projects from areas affected by the armed conflict in Colombia.
- We formed the Second Chances + Johana Bahamón alliance to provide hope to the country's post-penalty population.
- 5 supplier development programs were carried out.

Challenges for 2023

- We will work to guarantee that 95% of our private label textile products are purchased locally.
- The direct purchase of fruits and vegetables is expected to reach 85%.
- Promote the massification of the Paissana brand, strengthening it in the different lines of business.
- We plan to geo-reference 100% of our own-brand suppliers, commodities such as cocoa, coffee, cotton, and livestock, among others, to ensure that the supply chain complies with agricultural border criteria, communicating to consumers the origin of the products they purchase.

[GRI 413-2]

My Planet

We are moved by the preservation of the planet's natural resources, biodiversity, and ecosystems.



We work, on these fronts to achieve this:

- Take action favoring climate change
- Leading initiatives in favor of sustainable mobility
- Promote the circular economy
- Manage real estate operations with sustainability standards.
- Contribute to the protection of biodiversity
- Educate and mobilize towards environmental protection

My Planet



Icontec certifies Viva as the first shopping center brand in Colombia to be carbon neutral.

New challenges set in our Corporate Environmental MEGA



We are driven by actions for our planet, which is why we are committed to reducing our carbon footprint.

We are committed to reduce our CO₂ emissions by 55% (Scope 1 and 2) by 2025.

With the 2022 results, we achieved a 41.3% reduction of our emissions vs. 2015.

We measure our carbon footprint, and work to mitigate and offset it

[GRI 2-25] [GRI 3-3]

We emitted

487,950.07

tonsCO_{2eq}*

[GRI 305-5]

*Using the international Greenhouse Gas (GHG) Protocol methodology.

Scope 1

[GRI 305-1] [FB-FR-110b.1]

167,214.37

tonCO_{2eq}

directly emitted by refrigerant gases, fuels and fire extinguishers.



3.59% less than 2021.

Scope 2

[GRI 305-2]

43,056.00

tonCO_{2eq}*

for emissions from electricity consumption

*The XM-published emission factor of 0.1128 kgCO₂/kWh was used. In comparison to 2021, this component showed a 15% reduction.



11.42% less than 2021.

Scope 3

[GRI 305-3]

277,679.69

tonCO_{2eq}*

from other indirect emissions



6.1% of fleet outsourced



29.1% waste disposal



0.1% business travel



64.8% use of sold products (fuel sold at EDS – gas stations)

Energy consumption

[GRI 302-1] [GRI 302-3] [GRI 302-4] [FB-BR-130^a.1]

Energy consumption (MWh)	2019	2020	2021	2022	% reduction (2015 vs. 2022)
Conventional energy	88,978.57	95,990.00	61,143.30	57,470.32	
Renewable energy	305,805.22	321,923.59	307,121.21	325,665.18	
Self-generated energy			3,857.45	4,534.76	
Certified green energy				3,656.99	
Total	484,783.79	471,913.5	376,845.94	391,327.26	

Total CO_{2eq} total emissions

Scope	2019	2020	2021	2022	% reduction (2015 vs. 2022) (base line)
Scope 1	272,945.26	212,511.54	182,650.43	167,214.37	37%
Scope 2 *Market-based method	69,158.99	76,287.22	48,678.62	43,056.00	53%
Subtotal 1 and 2	342,104.25	288,798.76	231,329.05	210,270.38	41.3%
Scope 3	NA	3,490.69	24,807.11	277,679.69	
Total	342,104.25	292,289.46	256,136.16	487,950.07	

* We have recalculated the carbon footprint since 2015, using the new global warming potentials, updated by the IPCC in its sixth Scientific Information Report on Climate Change, published in 2022.

We are motivated to take action to tackle climate change management



We use natural refrigerant gases that generate a lower impact on the environment.



11 new stores

43 conversion stores that use natural refrigerant gases in their **refrigeration systems** (CO₂ and propane)



- During 2022 we had a 10% reduction in our refrigerant gas consumption in our refrigeration system compared to the previous year. **[FB-FR-110b.2].**
- With this, we managed to avoid emitting 17,129 tons of CO₂ into the atmosphere in the year **[FB-FR-110b.3].**



- In alliance with GreenYellow, since 2012, we have executed more than 360 energy efficiency projects, more than 15 solar energy projects, and more than 59 eco-efficient energy services projects. Thus, 27 warehouses in the country's north supply their air conditioning systems with renewable energy from a solar farm.

We are aligned with the Paris Agreement and the Montreal Protocol.

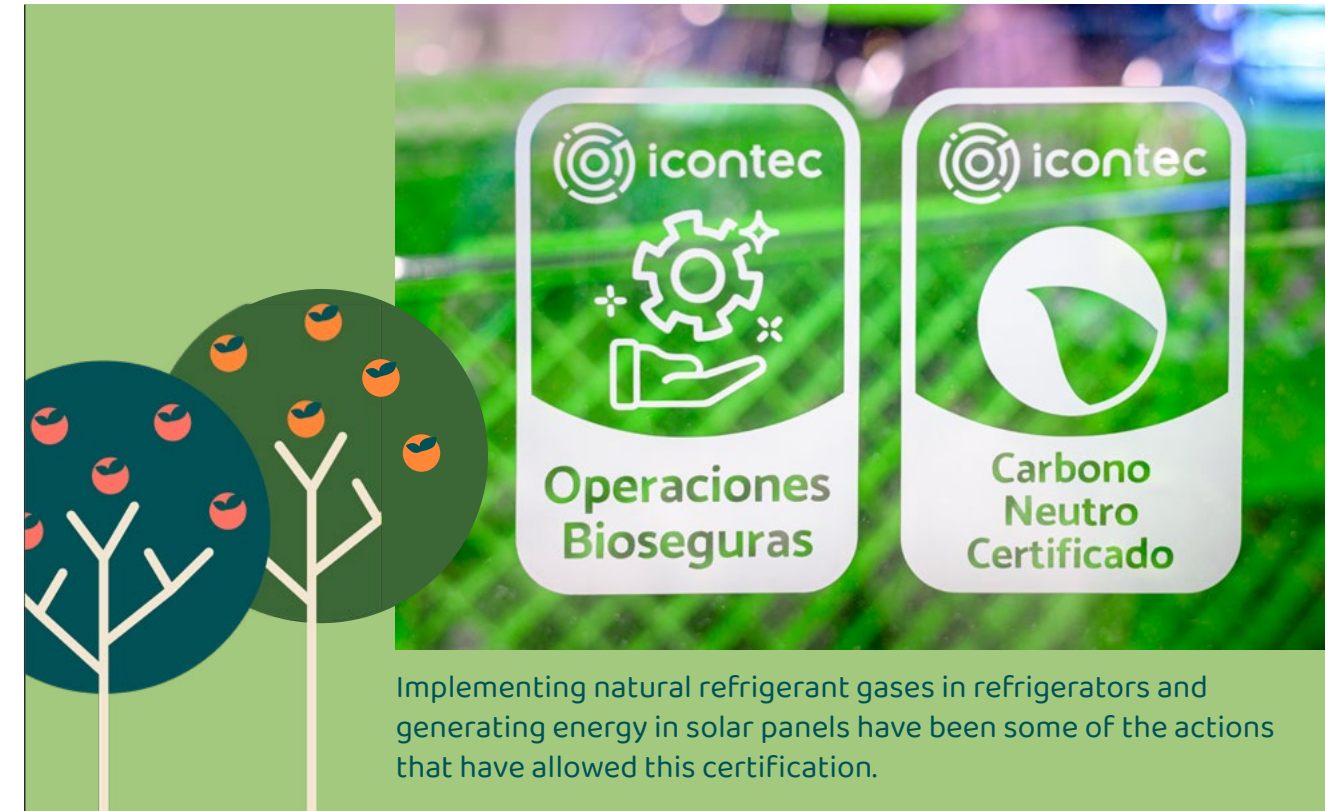
Water consumption (Thousand Million m³)



Viva solidifies its position as the country's first shopping mall brand to get Icontec's Carbon Neutral accreditation



- **14 Viva shopping centers** were certified as Carbon Neutral by Icontec for the first time.
- In our Viva shopping centers, we have more than **15,000 solar panels**, which generate cleaner energy and allow us to supply 21% of the energy consumption of the common areas, thus avoiding the emission of **977 tons of CO_{2eq} per year into the environment and preserving more than 4,600 trees.**
- The generation of wind and solar energy, the migration to an LED lighting system, and the open architectural design are some of the actions that led to the certification.



Two certificates are given to Viva, one for the brand and one for each of its 14 shopping locations. Find out more here

Carulla, the first food retailer in Latin America to achieve the carbon neutral seal, has renewed certification.

Through its **30 stores**, our brand Carulla FreshMarket, has renewed its Icontec certification as carbon neutral. At Carulla, we have been striving to lessen and mitigate the adverse effects on the environment as well as to compensate through

BancO2, a payment system for ecosystem services that joins businesses, governments, and communities in support of the preservation of Colombia's natural ecosystems.

We evaluated the benefits and risks of climate change

[GRI 201-2]

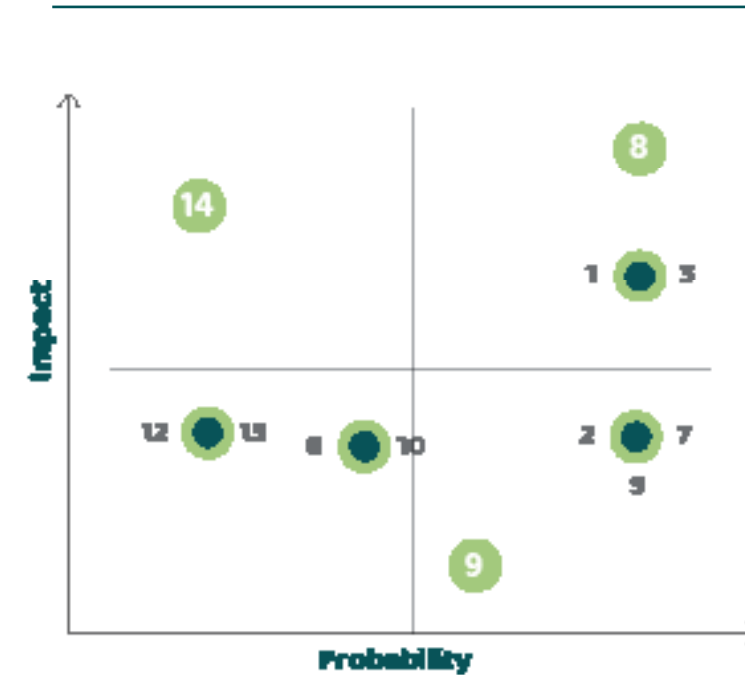
Grupo Éxito is actively working to comply with requirements of the **Task Force on Climate-Related Financial Disclosures (TCFD)**. As a result, we monitor the risks connected with climate change and, in 2022, we examined the effects of potential scenarios and their preventive measures.



[GRI 2-25]

We identified and graded the climate change risks and opportunities that have the potential to cause significant changes in operations (revenue or costs). The probability and impact of the risks were rated based on the company's EBITDA.

Risks



Opportunities



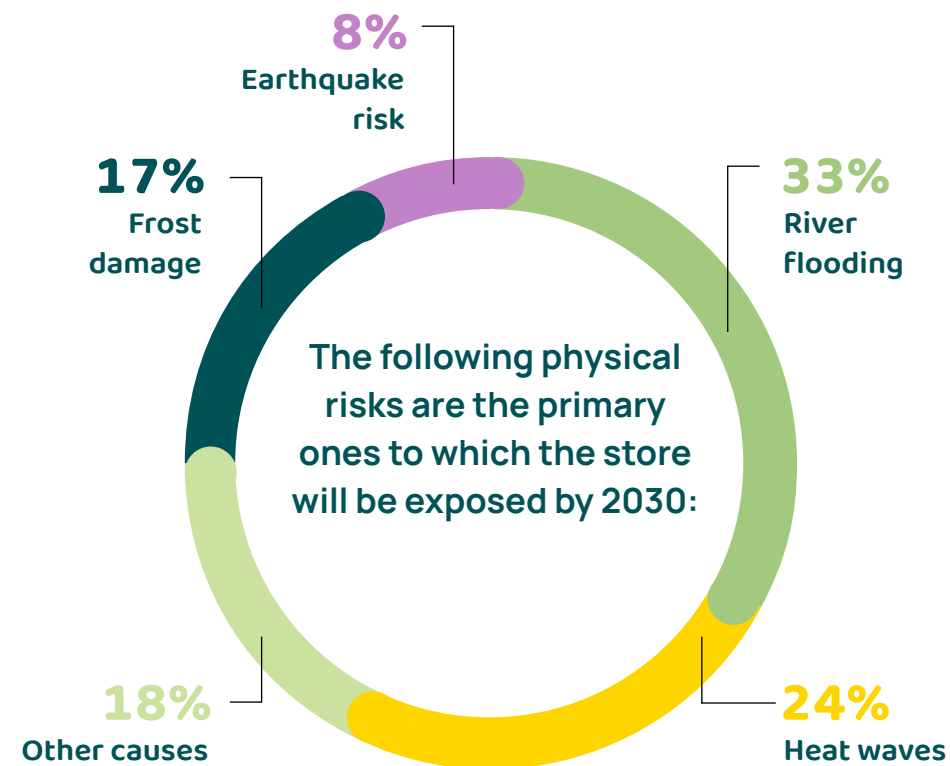
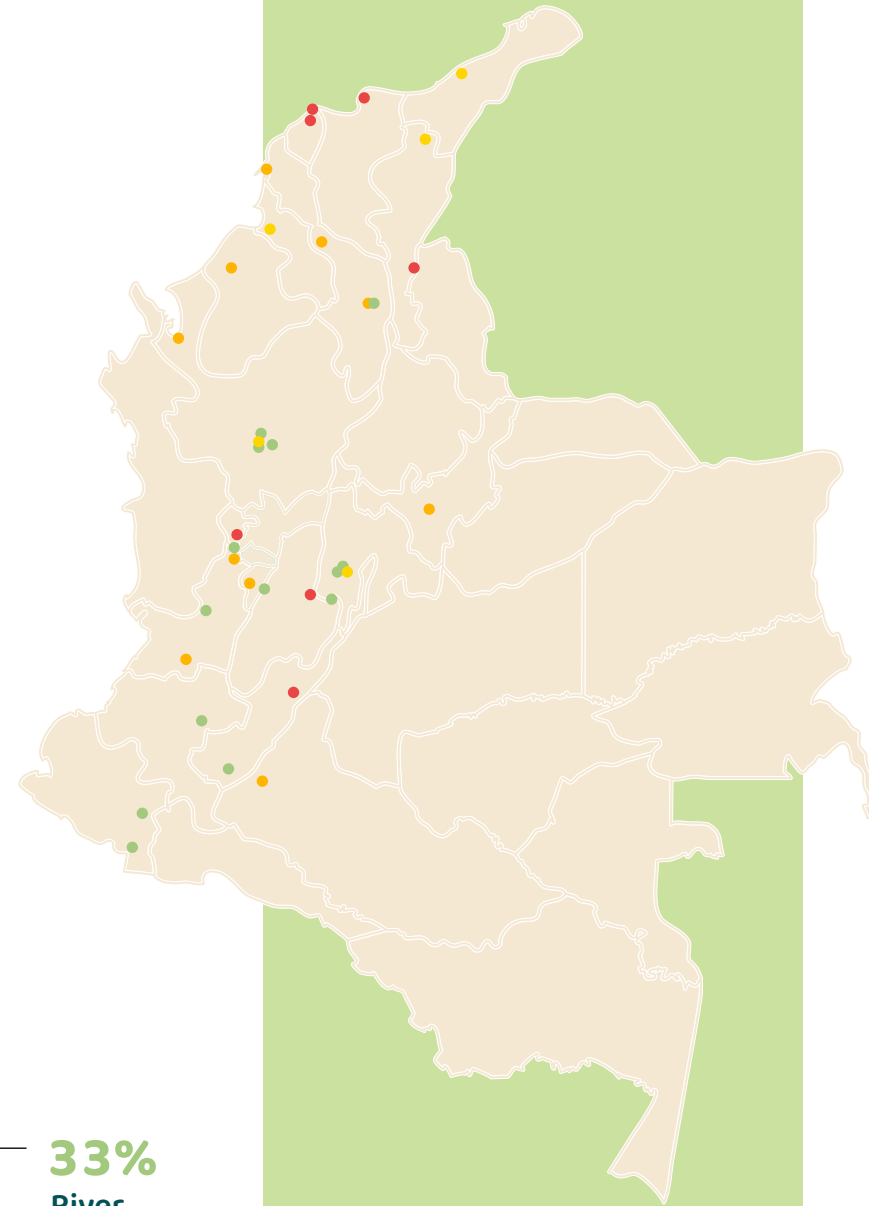
Risk	Risk category	Risk Driver	Risk description
R8	Political and legal transition	Emerging regulations and standards	Restriction or prohibitions of inputs like fuels, refrigerants, etc.,
R1	Physical - Acute	Increased severity of extreme weather occurrences	Disruption of business continuity
R3	Physical - Acute	Change in rain fall patterns and a highly variable climate	Supply chain disruption and relocation

Risk	Probability			Impact		
	Baseline	Idesam	208	Baseline	Idesam	208
R8	Almost certain	Likely	Likely	Moderate	Major	Major
R1	Almost certain	Likely	Almost certain	Moderate	Major	Catastrophic
R3	Almost certain	Almost certain	Almost certain	Catastrophic	Catastrophic	Catastrophic

Opportunity	Opportunity type	Opportunity driver	Opportunity description
O1	Resilience	Adaptation to physical risks	Climate change adaptation plan
O3	Resource efficiency	Adaptation to physical risks	Incorporation of technology using
O4	Energy source	Lowering of clean energy costs	Incorporation of cost-effective, low-carbon energy sources.

Opportunity	Probability			Impact		
	Baseline	Idesam	208	Baseline	Idesam	208
O1	Likely	Likely	Likely	Major	Moderate	Moderate
O3	Almost certain	Almost certain	Almost certain	Almost certain	Moderate	Moderate
O4	Almost certain	Almost certain	Almost certain	Minor	Moderate	Moderate

In addition, we conducted a study in 2022 with the asset management company AXA to assess the physical risk of all the company's facilities and its supply chain more thoroughly in order to quantify the environmental, financial, and social impacts as well as the opportunities for adaptation to climate change, **based on the RCP4.5 and RCP8.5 scenarios of the Global Climate Models, for the years 2030 and 2050. We as a result obtained:**



We calculated the impact and scope of our efforts in the short, medium, and long terms as part of the process of identifying and assessing opportunities and risks related to climate change. The research revealed that floods from overflowing rivers is the most real concern in our situation.

We enhance sustainable mobility

[FB-FR-000.C] [FB-FR-110a.1]



We seek to promote sustainable mobility in Colombia.



We updated 34 vehicles: 15 DAF tractor-trailers from 2023 and 19 rigs from 2022. With them, we anticipate monthly emissions to decrease by an average of 440 kg of CO₂ per car. In one year, we would reduce CO₂ equivalent to that absorbed by **634 growing trees.**



In our fleet, we used about **277,631** gallons of gasoline to cover about 2,185,572



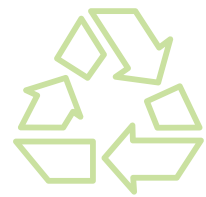
kilometers. With **38% electric vehicles**, our fleet is now more environmentally friendly.



In partnership with **Oasis Group**, 33 of our workplaces feature **sustainable mobility** environments that encourage active movement.

We promote circular economy of packaging and containers, mainly plastic

We enforced actions to achieve less and better packaging along with improved systems for recycling.



Reduce [FB-FR-403^{3.4}]

We reduced **75%** of plastic bags given to our customers at points of sale, compared to the 2015 baseline.

We enforced eco-design actions for our private label product packaging.

We analyze more than **1,556** of our private label products to determine how better use materials. We do this by removing unnecessary materials from packaging and by ensuring, from the beginning of the design process, that products can be recycled after use, in accordance with the *Golden Design Rules*, of the *Consumer Goods Forum* and the *Fundación Ellen Mac Arthur*.



Find out more about our Packaging Policy here



Reuse [GRI 301 – 1]

- Our customers bought **5.3 million reusable bags** in our stores.
- We used **116 tons** of recycled plastic to manufacture our reusable bags.
- We provided over **6 million Puntos Colombia** as a reward to consumers who used reusable bags when making purchases.



We communicated to consumers, through our packaging, about the correct separation of materials by including pictograms on more than 1,600 private label products.

Recycle

[GRI 301-2] [GRI 306-4]

20,517

tons of recyclable material recovered and sold generated **COP 13,818** million to support child nutrition through **Fundación Éxito**.



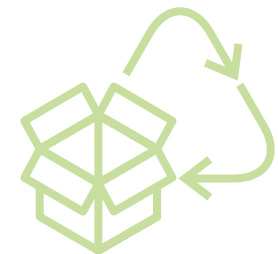
We are the *retail* with the largest back-store recycling process in the country

Recycling that nourishes and transforms

At Grupo Éxito, we donate all recyclable materials from the operation, such as plastic, cardboard, scrap, and metal, among others. Through the **Fundación Éxito**, we are responsible for selling these materials with partners who make recycling a reality, and thus, **100% of the resources obtained are invested in child nutrition projects**. We recycled:



Resources are invested in nutrition projects that improve the nutrition of thousands of children.



15,566

tons
of cardboard.



14% less
than
2021.



2,205

tons
of scrap metal



17%
more
than
2021.

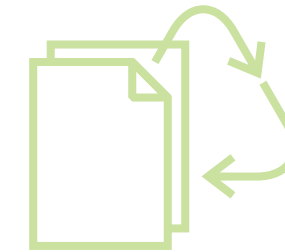


1,123

tons
of plastic



4% less
than
2021.



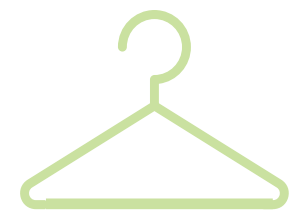
1,177

tons

of others (kraft paper,
newspapers, magazines,
glass, among others)



3%
more
than
2021.



446

tons

of plastic hooks



2% less
than
2021.

Our Soy RE post-consumption model keeps moving forward

We encouraged people to bring the packaging from home to the recycling stations set up in our stores so that we can guarantee their recycling.



We operate in accordance with the Extended Producer Responsibility (Resolution 1407 of 2018 and Resolution 1342 of 2020), promoting higher recycling rates and raising awareness among our customers about the value behind these resources.

We have

42

SoyRE

stations spread around Barranquilla, Bello, Bogota, Cali, Cartagena, Envigado, and Medellin for the delivery of various recyclable materials.

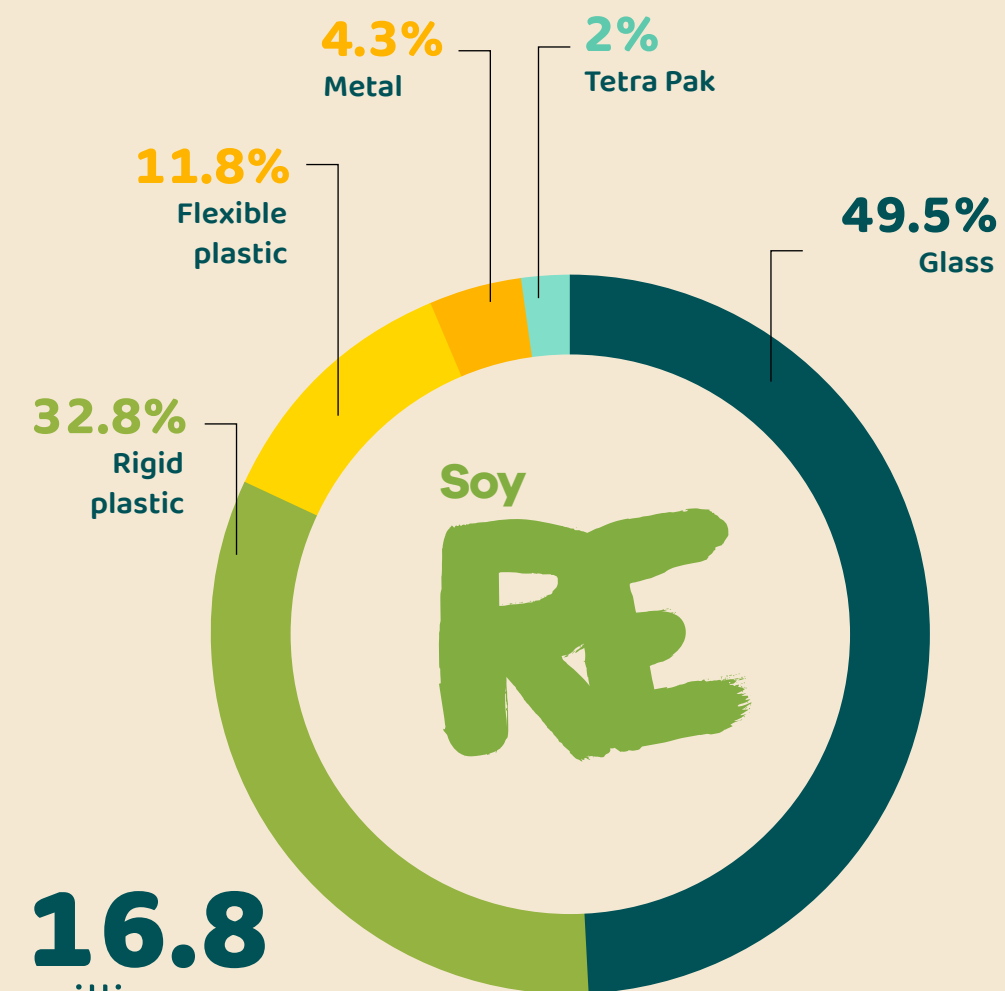
My Planet

We recycled

986.4

tons

of packages through the Soy RE post-consumption model.



16.8

million packages

For more than **244** thousand recycling actions by our customers, we rewarded more than **51 million** Puntos Colombia.

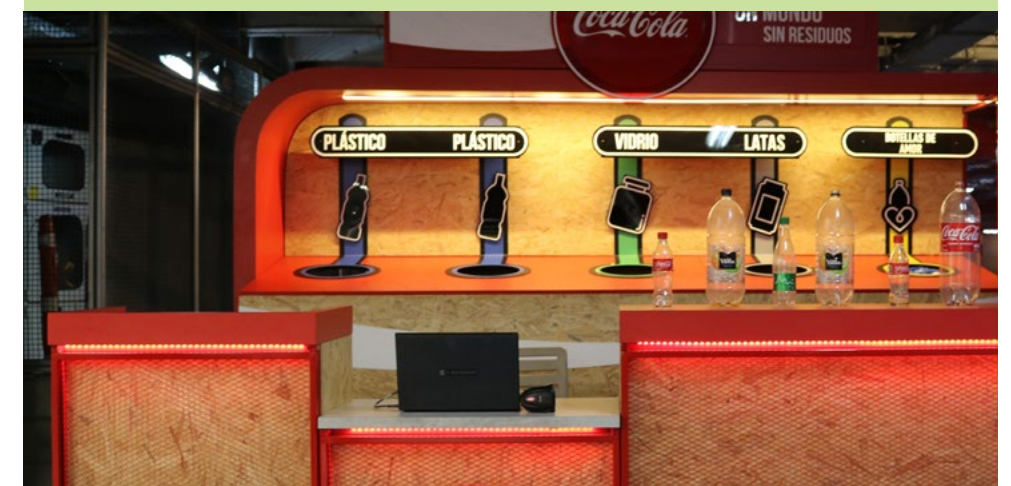


Find out how we are working to become a retailer that **uses less plastic here.**



The Coca-Cola System applauds this alliance because it allows us to further our mission and make a difference through creative initiatives that not only enable us to support circular economy models like returnability to create a waste-free world, but also enable us to collaborate with key actors to jointly address the country's and the planet's sustainability challenges

Juan Sebastián Jiménez, Director of Public Affairs, Communications and Sustainability, Coca-Cola Colombia.



We opened **6 new Soy RE points** and reached more customers, thanks to the joint work with partners such as Bavaria, Colcafé, Diageo, Esenttia, Johnson & Johnson, Pepsico, Sistema B, Sistema Coca-Cola, Smartfit, and Unilever.

We disposed waste properly

[GRI 306-3] [GRI 306-1] [GRI 306-2] [GRI 306-4] [GRI 306-5]

Type of waste (tons/year)	2019	2020	2021	2022
We recycled our operations produce waste	34,772	32,031	20,975	21,503
We ensured the correct disposal of hazardous waste		27.32	29.54	27.23
We recovered used cooking oil and managed its use		2,947.69	3,467.87	3,094.92
We reused organic waste in soil bioremediation*		10,440.53	10,328.46	7,125.13
We disposed of all ordinary waste in sanitary landfills		5,555.30	7,744.55	172,472.76

*Soil bioremediation through organic waste composting.



To find out more about our environmental policy, go here.

We managed food breakdown [FB-FR-150³.1]

Year	2021	2022
Food waste and loss	17,307	14,425
Food used for alternative purposes	1,565	903



Introducing Carulla Sistema Fresco

A strategy for pairing fruits and vegetables at home to extend their shelf lives and reduce food waste.



Find out here how Sistema Fresco works.



In partnership with WWF Colombia and WRAP, we worked on a pilot to address the food waste challenge.




By educating staff members and lowering the price of ripe fruit, we were able to decrease banana breakdowns in 3 selected stores.





Find out more about our food waste policy here.


We recover our country's green, contribute to biodiversity protection, and, together with our suppliers, promote deforestation-free supply chains [GRI 304-3]

We launched the campaign *Recuperemos el verde* (Recover the Green) **#UnÁrbolALaVez** to plant one million native trees in Colombia. In this project, 60 native species, some of these listed as threatened, were planted in three watersheds: Río Frío, Río Garrapatas, and Río Combeima.

More than
 **1,000,000**
 trees have been
 planted.

 **A total of 350 hectares**, equivalent to **560 football fields**, have been restored.

 **700,000 fresh seedlings** have germinated and are nearly ready for planting.

 At every planting, the local community was involved.

 235 thousand customers have been part of this initiative.

 Our customers, partners, and suppliers have donated more than **527,000 trees**. Our partner **Celsia contributed 500,000 trees**. We therefore achieved and even exceeded our target.



100%
 of our private
 label palm oil suppliers
 are all RSPO-certified
 sustainable.

We continued to implement the suggestions from the supply chain self-diagnosis carried out under the Accountability Framework Initiative (AFI).



Learn more about how we experienced the **#UnrboALaVez Sembratón** here.



Carlos Mario Giraldo, Grupo Éxito CEO; Pame, Exploradora Éxito; and Ricardo Sierra, Celsia CEO.

Our Sustainable Livestock model encourages ecosystem preservation, biodiversity protection, and the reinforcement of good farming practices on livestock lands [GRI 304-3]



We work with our tier one live cattle suppliers on matters related to ecosystem preservation, meat quality, and animal welfare

100% of our direct suppliers of live cattle are monitored by satellite every year under concepts of respect for the agricultural frontier and forest conservation

83
suppliers
monitored

263
lots
monitored.

81,505
hectares
monitored.

25%
of these
hectares
are forest covered



Meat that has the "Ganso" seal for sustainable livestock farming.

Since 2001, there has been an increase of 2,607 hectares of forest areas on the farms of direct suppliers of live cattle.

9 of our suppliers have GANSO certification for sustainable cattle raising, guaranteeing environmental, social, animal welfare, quality, and livestock management practices.

14
audited
farms

21,000
audited
hectares

In 4
states
across the country

Pomona Ganadería Sostenible (sustainable livestock) product sales increased by 173% at 188 Carulla and Éxito stores.

Aligned with



Allies for monitoring

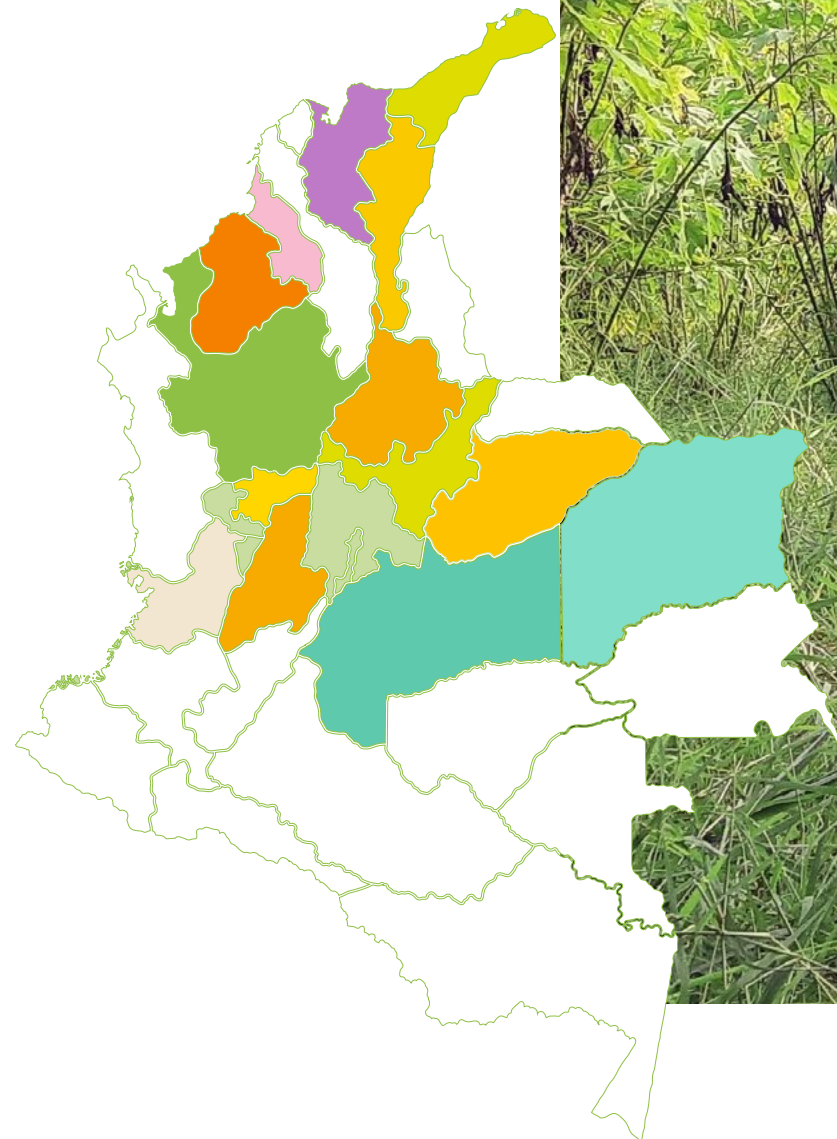


Allies for conservation



Livestock supply:

- La Guajira
- Cesar
- Magdalena
- Sucre
- Bolivar
- Córdoba
- Antioquia
- Santander
- Boyacá
- Casanare
- Meta
- vichada
- Cundinamarca
- Tolima
- Valle del Cauca
- Caldas



This alliance seeks to maximize the potential for biodiversity conservation on the farms of our live cattle suppliers by strengthening good production practices. The Government of the United Kingdom funds the project under its UK PACT program.



We have short-listed 10 lots based on the following criteria:

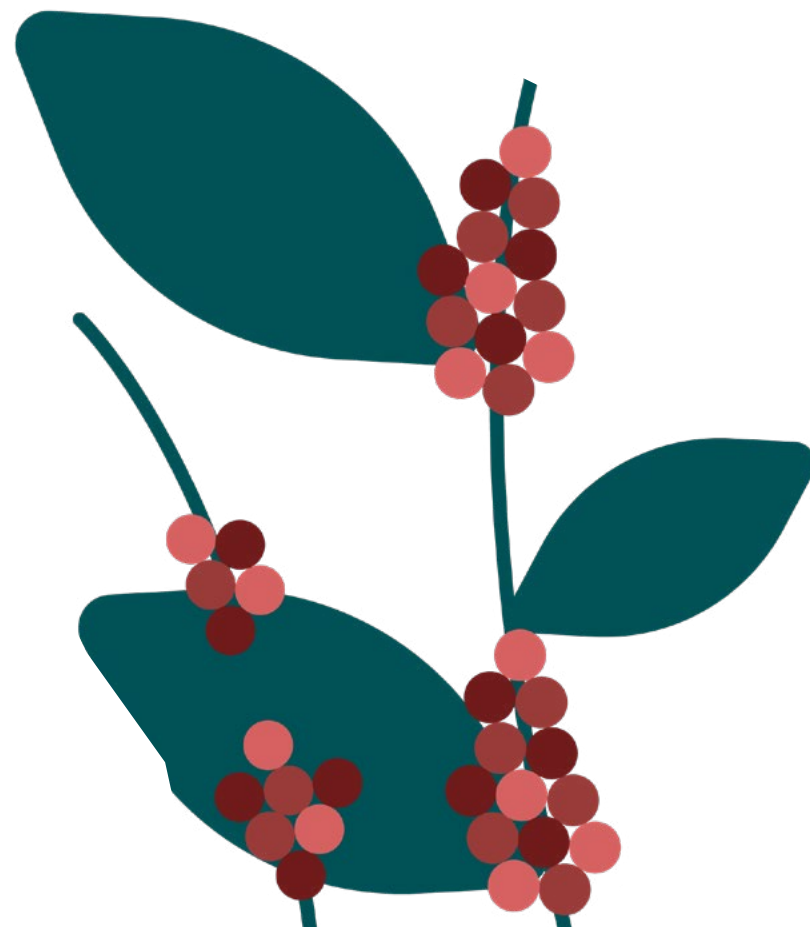
- Connectivity
- Area conservation
- Restoration
- Animal protection



Together with Icontec, we created company standard GE-001 Sustainable Cattle Raising Model, which certifies good sustainability practices in our beef and finished product supply chain.

We are motivated to educate and mobilize our stakeholders toward environmental protection

- **Circular economy training:** 20 training activities and more than **400** employees trained
- **Climate change training:** 13 training sessions and more than **150** trained employees
- We developed the climate change course on our corporate intranet, with the participation of more than **800** employees.
- We participated in **ExpoCapazu**, in Paraguay, the country's most important retailers' fair, where we shared our achievements.
- We were part of the advisory committee that helped CEMPRE, an initiative that was born in the UK from WRAP and aims to analyze the entire value **chain of plastics** in the country holistically and identify the appropriate courses of action, structure the Pact for Plastics in Colombia.
- We participated in the **XV International Seminar on Business and Environment at the Universidad El Bosque**. We shared our experience with Soy RE, through which we mobilized consumers to incorporate the circular economy into their daily lives.



achievements for 2022 [GRI 3-3]

- Our Viva brand made history by being the first in the country to receive the Icontec Carbon Neutral certification.
- We recertified Carulla FreshMarket stores as Carbon Neutral.
- We created the Biodiversity Policy, ratifying our commitment to the environment.
- Together with UK PACT and WWF, we signed the sustainable livestock farming pact.
- We jointly released the Grupo Éxito Company Standard for the Sustainable Livestock Model with Icontec.
- We mobilized the planting of more than one million native trees.
- We strengthened the SoyRE model, close to one thousand packaging tons collected in 42 points.

Challenges for 2023

- In order to provide mitigation and adaption measures and assure the company's operation in the face of risk scenarios, efforts will be made to financially analyze the climate risks and opportunities of the company's operation.
- Reduce carbon footprint (Scope 1 and 2) by 41% in comparison to 2015 - AR 6.
- Continue promoting the planting of native trees in strategic ecosystems in the country.
- We plan to implement biodiversity conservation pilots on the farms of our direct suppliers of live cattle within the framework of the UK Pact and WWF project.
- Mobilize SoyRE's expansion model

Healthy Lifestyle

Our motivation is to mobilize and promote healthy lives



We work, on these fronts to achieve this:

- Promoting healthy lifestyles
- Education of customers, employees and suppliers in experiencing healthy lifestyles
- Promoting goods and services that incentive healthy lifestyles



We encourage better balanced lifestyles among our customers, staff, and suppliers.



984 food references approved under FSA (Food Standards Agency) by a team of nutritionists.



We look out for the food safety of our customers [FB-FR 250] [GRI 416-2] and provide them with goods that are safe for consumption without impact their health. We didn't have any private labels products recalls in our stores because of these actions.



Taeq updated its brand image, ingredients, and its essence

We renew ourselves to give Colombia the best options in products with nutritional benefits and, thus, bring balanced nutrition to daily life, facilitating consumer choices.

- We have over **400 Taeq brand products** in all food categories, from fresh and minimally processed foods to processed foods such as bakery, snacks, dairy, and vegetable alternatives.
- We are driven by being the largest nutritionally beneficial brand in the market. Taeq has eliminated or substituted 30 undesirable ingredients from its products, and 170 processed food references have been reformulated as part of its commitment to the country's consumers. [GRI 416-1]
- **100%** of Taeq's FMCG products apply the voluntary labeling system of the Guideline Daily Amount scheme, which aims to make customers aware of the risk of nutrients in food [FB-FR-260^a.1].
- Taeq has decided to reduce the seals on its packaging as a constantly evolving brand, to deliver increasingly higher-quality products.
- According to a survey conducted internally in 2022 to customers and non-customers, Taeq is Colombia's second healthy brand on the Top of Mind of consumers.

Private Label

207
products
were reformulated

63
products
don't have seals

53
organic
products

110
vegetable
protein based products



136 companies, 45 suppliers, and 34 microbusiness owners with goods and services that support sustainable, healthy lifestyles for people and the environment participated at the Vida Sana Fair.



We promote healthy lifestyles

The sixth version of the Feria Vida Sana (Healthy Lifestyle expo) was developed. It was a hybrid event that included a live events, interactive digital experiences, and product displays at more than 100 stores around the country.

The expo included activities to promote healthy lifestyles via active mobility, awareness, and nutrition.

- 

Sales increased by **20% compared** to the previous expo in 2019.
- 

Our sportswear's private label, Bronzini, had the most sales during the expo with a 12.3% market share. Taeq, the No. 2 brand, with an 11.1% market share.
- 

12,362 visitors to the physical expo.
- 

More than 900 customers participated in the various academic agenda events, enhancing their understanding of healthy lifestyles.
- 

Our e-commerce increased 100% in revenues and now accounts for 4% of all sales.



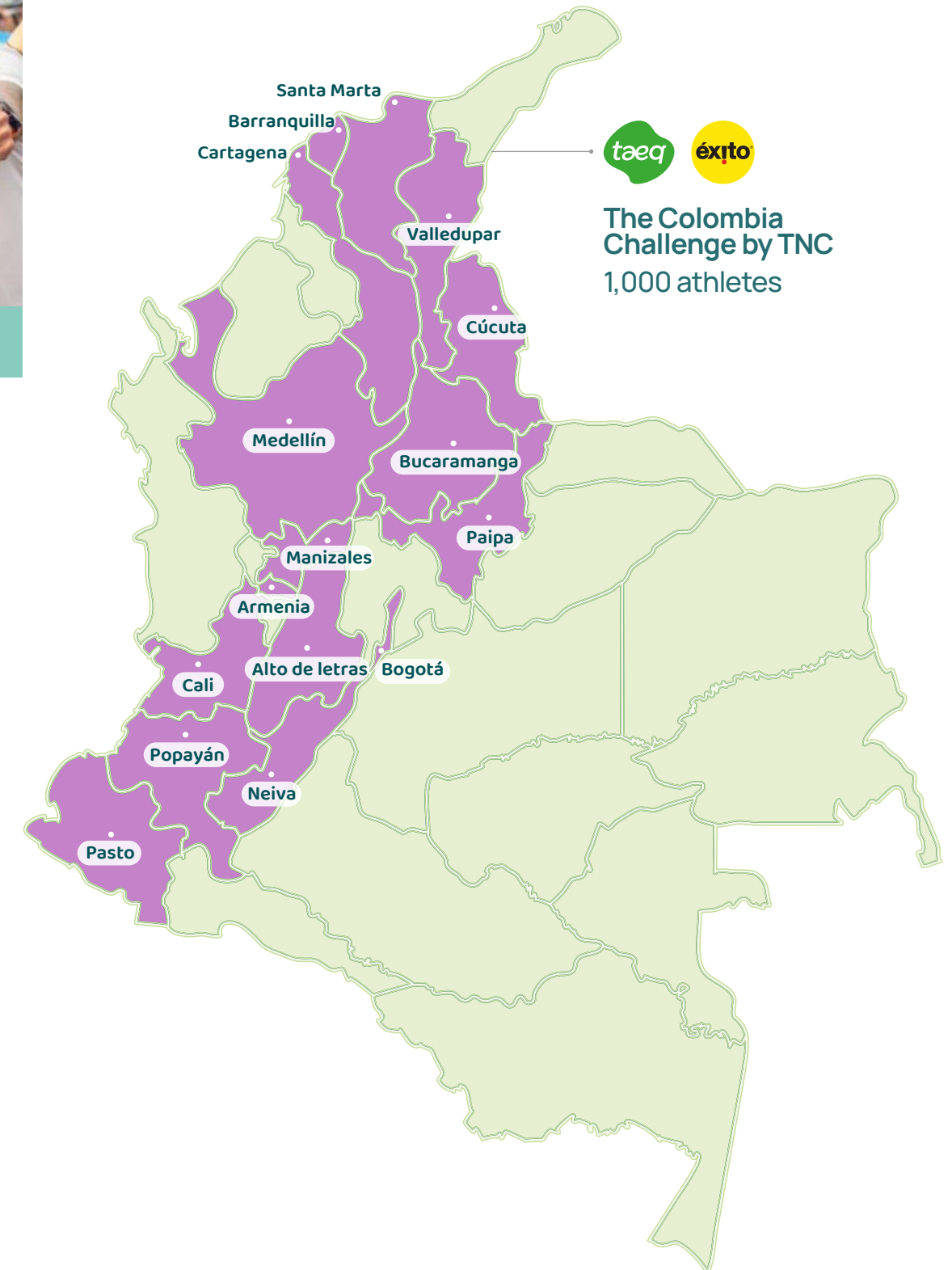
Estefanía Borge and Sara Mesa, expo ambassador.

We supported athletes on the road to their dreams

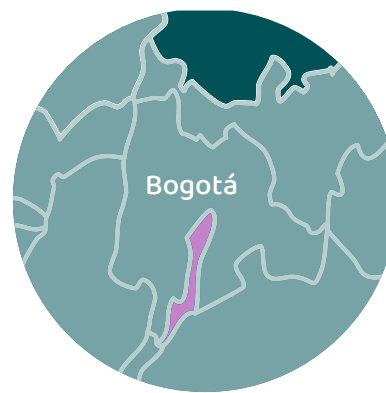
We sponsored activities and athletic outings that encourages a healthy lifestyle.



Our athletes in the Reto Movistar Bucaramanga



taeq éxito
Gran Fondo Antioquia
2,500 athletes



taeq éxito
GFNY Bogotá
1,500 athletes
Clásica Esteban Cháves
250 deportistas



taeq éxito
Gran Fondo Andina Cartagena
2,000 athletes



taeq éxito
Reto Movistar Bucaramanga 400 años
2,500 athletes

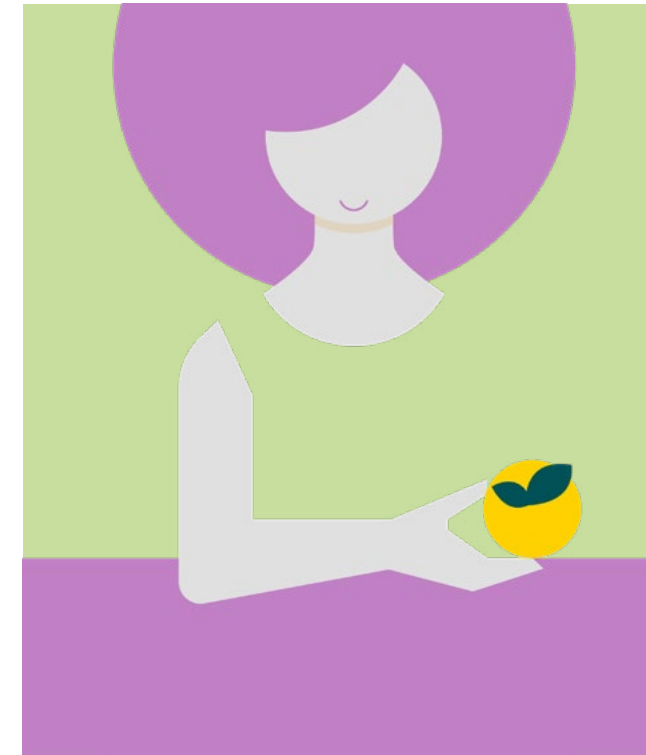
taeq éxito BRONZINI ACTIVE
Maratón Medellín
10,000 athletes

We educated customers, employees and suppliers about a healthy lifestyle

[GRI 403-3] [GRI 403-4] [GRI 403-6]



- For our employees, we created two Vida Sana expos where we discussed issues including family planning, appropriate alcohol consumption, mental health, diet, and screening. • Generamos un impacto positivo en más de
- We made a positive impact on more than **30** thousand employees through Jueves de Nutrición and Vida Sana.
- We conducted more than 8,000 nutritional and cardiovascular screenings to map our population's health status.
- We shared valuable information on social media platforms where we discussed the nutritional advantages of certain products



In the **Nutrition and Live your Health** vlog, through our corporate intranet, our employees can now find, experiences that help them to maintain and care for their health and to have a balanced life.



+6,000
Vlog visitors

We shared information on healthy lifestyle habits in the Consumer Goods Forum [GRI 403-7]



The Consumer Goods Forum's #SustainableRetailSummit



In 2022, we will continue with our Alliance for Healthy Living: Collaboration for Healthier Lives Coalition and the Consumer Goods Forum. This global network brings mass consumer companies and retailers together to promote more efficient business practices.

There are already 11 supplier companies working with us and 2 more retailers in Colombia to encourage better habits and more balanced actions in our target audiences. These are: Clorox, Colgate, Grupo Bimbo, J&J, Kellogg's, L'Oreal, Mars, Postobón, P&G, Savencia and Henkel.

In addition, we were the only Latin American agent at the CGF Sustainable Retail SUMMIT. We participated in its panel Empowering Consumer Choice Inclusivity & Affordability, in which we discussed issues related to the Healthy Life pillar and gave visibility to the problem of malnutrition in the region, with Frans Muller, CEO of Ahold Delhaize, and Alaya Ziz, CCO of Danone.

Achievements for 2022 [GRI 3-3]

- 6,1 million customers, 6% more than in 2021, bought products from the portfolio of Vida Sana at least once.
- We launched landing pages for Vida Sana on the websites carulla.com and exito.com
- We worked on the reformulating of our Private Label products
- We attended the CGF Retail SUMMIT

Challenges for 2023

- In order to continue democratizing healthy lifestyles, we will work to adapt our assortment of private label products to the new regulations
- Promote 10% organic food and items made with vegetable protein
- Encourage the Healthy Lifestyle strategy among employees
- Accompany the expansion of the line of non-food items that support healthy lifestyles



By 2022, we impacted more than
950,000
 customers
 in 168 locations thanks to this cooperation

The success of Grupo Éxito is in its people

Providing for a better people's quality of life and fostering growth in being and doing is our **ongoing commitment**



We work on these fronts to achieve this:

- To develop our employees in terms of being, knowing, and doing
- To be attractive, diverse, and inclusive
- To encourage gender equality
- To encourage social dialogue



“Everything I have has been thanks to my work! I have been part of this company for 16 years and am very happy because it is where I have always wanted to be. My dream has always been to raise my son, and I am achieving it: in 2023, he will graduate from college. As a team, we are very committed to making a difference in what we do. That's why we think this business is as if it were our own and that if Grupo Éxito wins, we all win”

Yasmira Villalba Martínez, Learn how we celebrate the trajectory of our people here



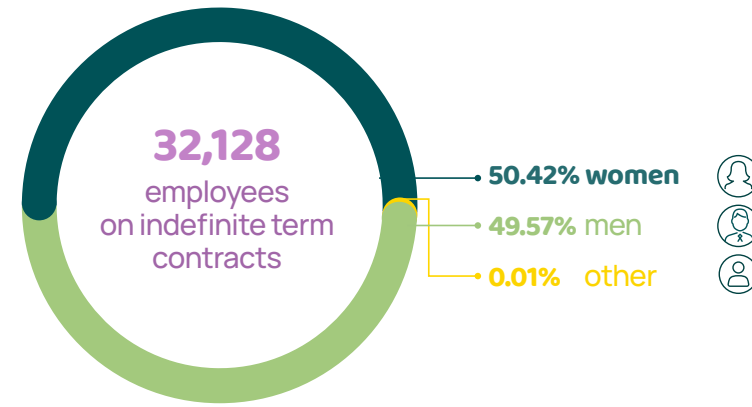
Learn how we celebrate the trajectory of our people here

We are Colombia's largest private employer thanks to our more than

36,000
employees

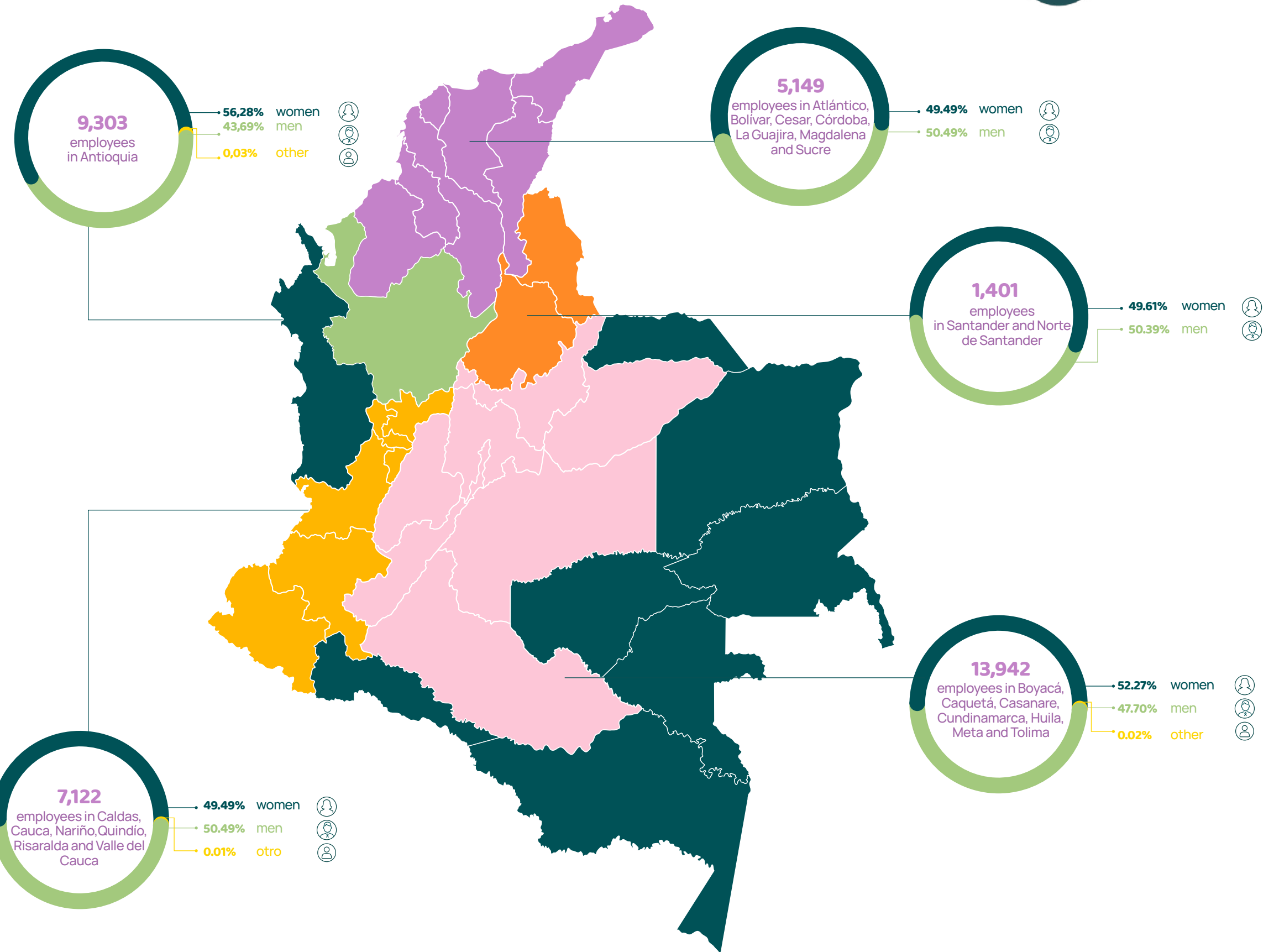
36,917 employees in 23 states of Colombia

[GRI 2-6] [GRI 2-7] [GRI 2-8]



0.40% employees with disabilities

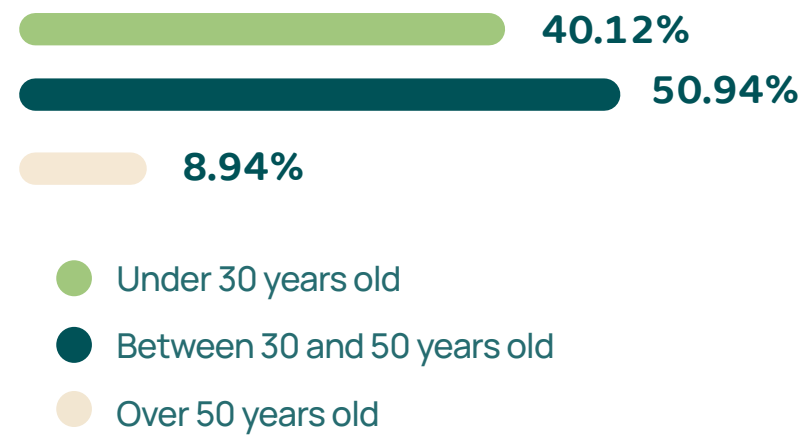
0.67% employees that are at bigger risks of vulnerability



The success of Grupo Éxito is in its people



Employee age distribution [GRI 405-1]



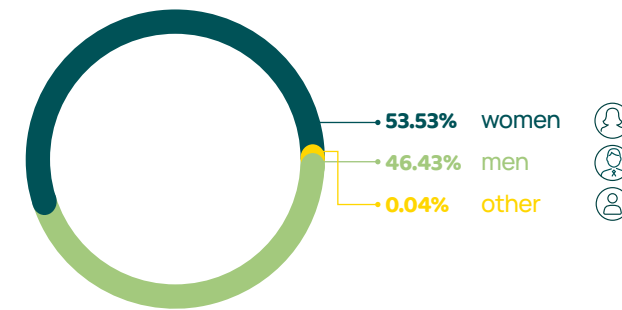
Employees from other countries who work in Colombia

Country	Employees percentage	Percentage of the organizational structure's tiers 1, 2, 3, and 4
Colombia	98.82%	99.45%
Ecuador	0.02%	0.14%
Estados Unidos	0.01%	0.14%
Francia	0.01%	0.27%
Venezuela	1.08%	0.00%
Otros	0.06%	0.00%

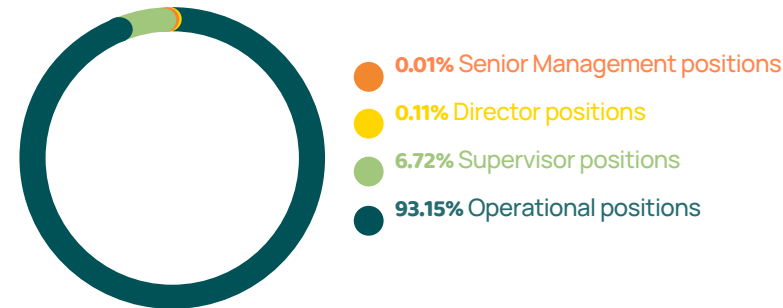
21,120 new hires [GRI 401-1]

Close to COP 137,621 invested in each selection and hiring process..

Hiring by Gender



Hiring by organizational structure



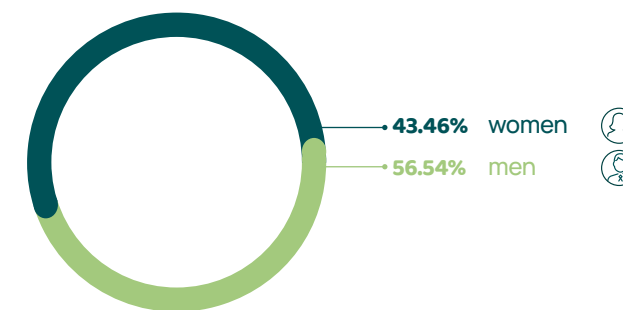
Employee turnover by gender



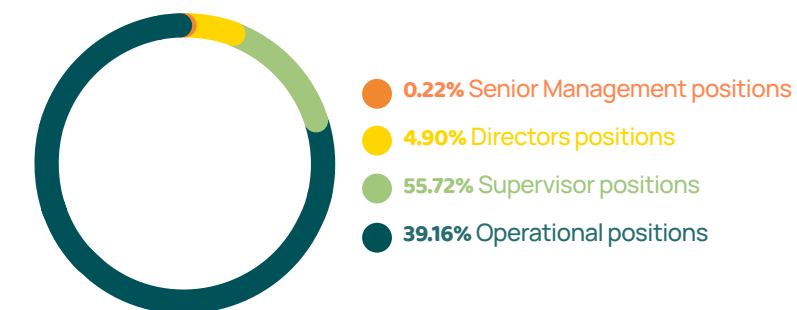
3,164 employees promoted [GRI 405-1]

13.03% of the company's employees filled the openings vacancies available:

Employees promoted by gender

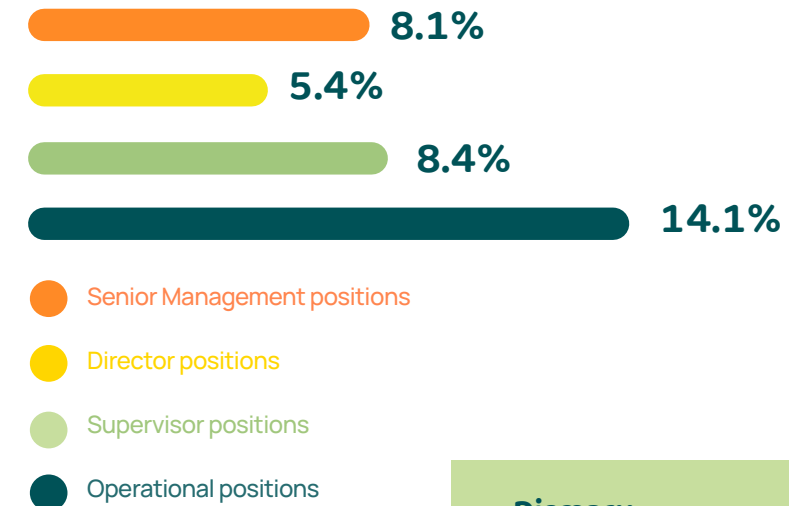


Employees promoted by organizational structure



Employee turnover under indefinite-term contracts.

12,18% indefinite term turnover and 9,8% voluntary turnover.



Dismary Hernández Pineda
a Venezuelan who works as an Auxiliary Checkout Stations at Super Inter Pasarela in Cali



A dignified life to improve the living conditions of our employees and their families



In Grupo Éxito, we have a Diversity and Inclusion Policy based on a model whose pillar is to generate inclusive environments.



Through a proactive social responsibility action, which, in addition to “doing the right thing,” does it in a sustainable way, we have a positive and direct impact on the well-being of our employees and their household conditions of health and nutrition .

Our objective is to contribute to mitigating poverty conditions in our population by identifying the MPI (multidimensional poverty indexes, IPM for its acronym in Spanish).

¿How do we measure it?

-  Home's educational environment.
-  Childhood and youth conditions.
-  Access to the health and labor system.
-  Access to public utilities.
-  Housing situation conditions.

¿What did we find?

Nearly 26,000 employees and their families participated in the Decent Life survey, through which we identified five points of most significant criticality:

- Lack of family members' access to healthcare
- Lack of access to formal jobs
- Economic dependence of family members on the employed individual.
- Lack of average of school attendance.
- Lack of decent housing.

We contribute to have a beneficial impact on issues such as housing, food, childcare, and health conditions.

¿What do we accomplish?

We provided about 6,000 benefits to families in the areas of children, health, education, and jobs .

We promoted in over 9,000 homes to join the General Health and Safety System.



Our people are the best reason to smile



We provided these benefits in alliance with our employee funds Presente and Futuro to impact and improve the quality of life of our employees and their families.

We invested
COP 20,000
million,

in 154,038 benefits for our employees and their families..



Education

We invested
COP 10,674 million,
on personal and academic
development of our employees and
their children.

- **14,976** benefits were delivered .

7.02%
fewer than in 2021.



Housing

We provided housing loans of
COP 2,325 million
for the purchase, building, or
upgrading of dwellings.

- **90** benefits were delivered.

32.49%
fewer than in 2021.



Health [GRI 403-6]

We invested
COP 1,620 million
in health promotion and illness
prevention initiatives.

- **27,909** employees and their families were benefitted

51.49%
less than in 2021.



Mi pension [GRI 201-3]

We accompanied
2,143 employees
through their retirement process .

- **COP 255 million** was spent on consulting services

8.97%
less than en 2021.

Employee assistance programs



Work schedule flexibility

- We provided our employees with **154,696** hours of free time for personal or family activities.
- **23,551** granted benefits
- **COP 1,206 million** invested



Personal and family economics school

We trained
2,223
employees in financial
planning to help them
manage their homes and
lives.

10.03%
less than in 2021.



Culture and entrepreneurship

We delivered **COP 232 million** for initiatives that promote business, use of free time, and artistic expression.

Sports and 8,628 benefits granted



recreation

We invested **COP 1,677** million for 36,094 employee and their families' recreation and sports initiatives.



Mi renta

we assisted **694** workers and their families in the process of preparing their income tax returns correctly, simply, and safely, through the administration and assistance of our strategic partner Tributi.

Investment of COP 86,427 million



We recognized **3,855** employees for their years of company service.



Working from home

100% of our administrative office personnel used hybrid work (two days on-site and three days from home).



Change your cycle

189 employees received access to washing machines, refrigerators, stoves, computers, desks, office chairs, motorcycles, bicycles, and electric scooters.



Celebrations

Investment of **COP 2,446** million on special day celebrations for our employees and their families, with a total of 29,318 benefits delivered to 18,659 employees.



Vínculos de amor [GRI 401-3]

Maternity and paternity benefits

We provided benefits for taking care of the children of our employees. We provided them with tangible and digital instruments for the growth of the children as we followed them through the stage of becoming parents through an accompaniment model based on the Tool-Be system.

- Birth or loss of a child at gestational age
- All facilities in the country have extended the **breastfeeding window to 30 minutes** (in accordance with the Law on the Adequacy of Breastfeeding Rooms' requirements)
- **481 grants awarded** and COP 136 million invested
- The Vínculos de Amor program for the care of our employees' children, nutrition to grow, school and/or university benefits, benefits for children with disabilities, and early childhood programs were just a few of the benefits available to 3,649 employees.
- **COP 1,624 million** invested in the Vínculos de Amor program

12%
less than 2021.

We contributed to the development of our employee's being and doing

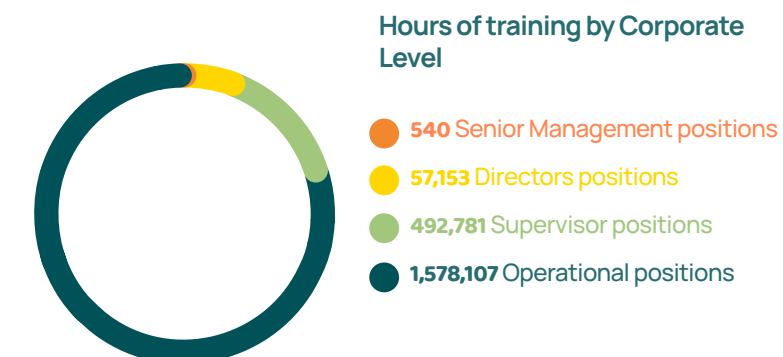
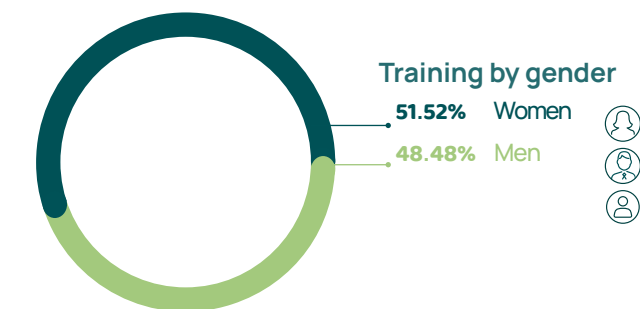
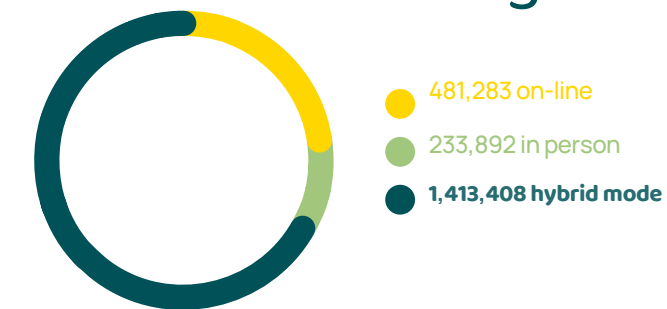
[GRI 404-1] [GRI 402-2] [GRI 404-3]



Through the courses offered by the Company's Learning Unit, we support our training process on corporate culture, organizational knowledge, and job performance.

We delivered

2,128,582 hours of training:



- We spent COP 63,859 per employee on training and destined 41.19 hours to this process [GRI 404-1].
- 3,031 workers were taught in enhancing their competences in corporate culture, soft and technical skills on current topics of interest, through self-assigned courses for their growth, [GRI 404-2].
*A person might have completed more than one course in this modality, causing the number of workers to exceed the total number of employees.

- 51,676 employees finished their training route by completing learning courses given by the company that were required to fulfil their function.
- 393 workers in the STEM category received training.

We all contributed to making our workplace a better place to work

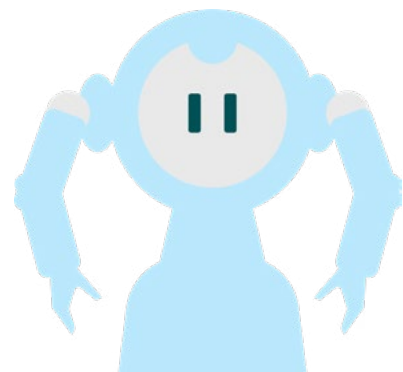
2,729

leaders

participated in the Leadership in Evolution program, which aims to build adaptive skills and create critical transformation competencies.

We enhance our talent and help them in their professional development.

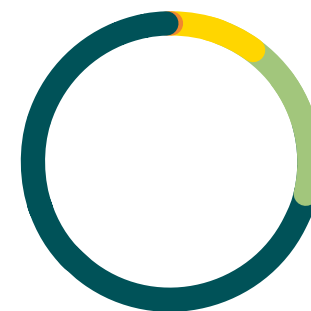
5,339 employees were evaluated throughout the country, by their superiors as part of the talent planning process.



Leaders who provide a good example

We redefining our leadership model to include components of adaptive capability, discussions, and decision making.

- **98%** employees showed a commitment of 90% and an E-NPS of 64. There were 50.15% women and 49.85% men.



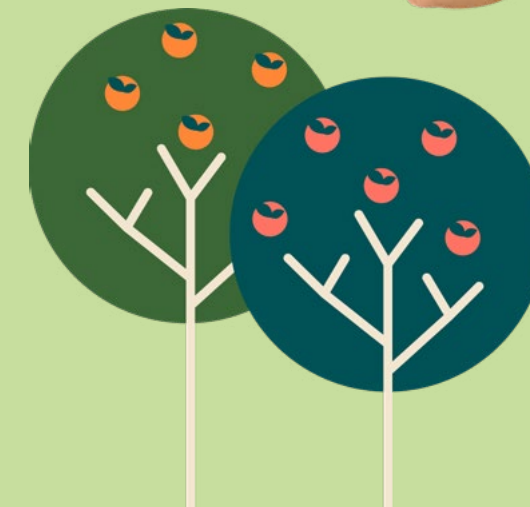
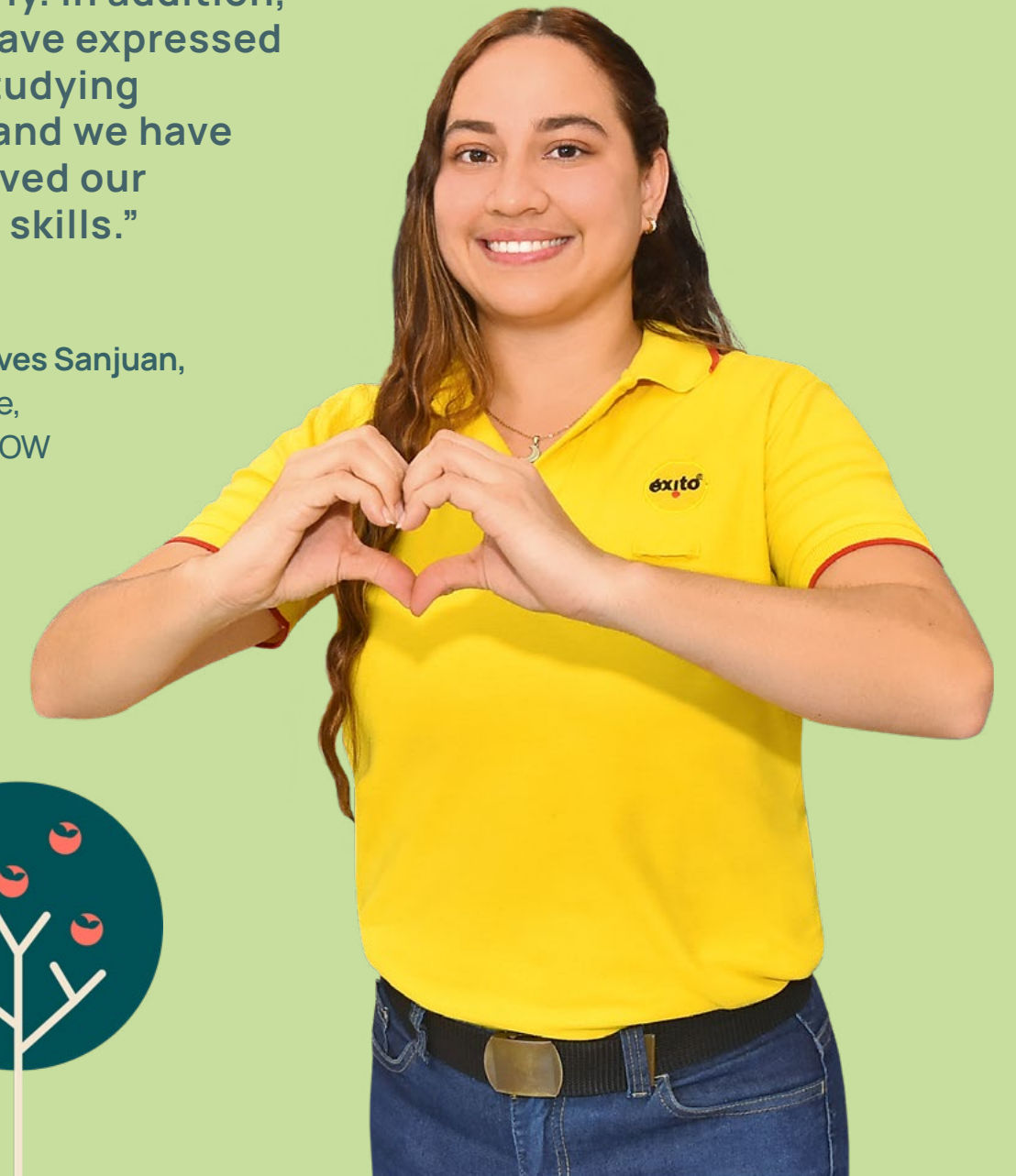
Participation by Corporate Level

- 0.07% Senior Management positions
- 2.40% Directors positions
- 29.23% Supervision positions
- 68.30% Operational positions



This is an inclusive company for persons with hearing disabilities like me. I started working here nine months ago, and the shop manager, Angelica Linero, has coached me and taught me how to fulfil my tasks properly. In addition, my coworkers have expressed an interest in studying sign language, and we have gradually improved our communication skills.”

Sherlinee Melisa Gelves Sanjuan,
textile sales associate,
Barranquilla's Éxito WOW
Metropolitano



We are proudly diverse and inclusive

We recognize that diversity contributes significantly to the company's exceptional performance, particularly in terms of innovation, creativity, productivity, and effectiveness.

Our cultural statement is founded on respecting and accepting diversity in all its forms, including those related to age, gender, sexual orientation, ability, race, and belief. With this, we want to foster a sensitive and inclusive environment inside the company.



We promote inclusive workplaces and diverse work teams



We acknowledge, value, and respect every individual regardless of gender, color, origin, socioeconomic class, sexual orientation, ability or disability, politics, or religion.



We embrace a healthy exchange of opinions and advocate for empathy.



We are prepared at your signal

Our center for sign language interpreters enables us to assist hearing-impaired employees, customers, or suppliers in communicating with one another. **We delivered 14 services in 2022.**



[Find out more here](#)

We are moved by being part of the change and the progress of our people

Our employees have the assistance to correct their name and/or sex/gender on their ID. We support those who are in their transition and want to change these elements legally.



Being Christopher means freedom, joy, and self-love to me

Christopher Angulo Vargas, assistant operator, Éxito Maracaibo, Medellín.



We promote labor inclusion

Since 2006, 5,000 people have been linked to the company's diversity and inclusion strategy, which strives to engage of diverse population.



We have a human talent workforce of 625 people from diverse population:

- 22 armed conflict victims
- 34 demobilized people and/or their families
- 148 people with disabilities (acquired prior to their entrance)
- 17 military personnel and/or their families
- 2 ex-cons
- 5 relatives of people in prison
- 202 members of the LGTBIQ+ community
- 95 migrants
- 100 young people in danger

We are making progress in closing gender gaps



Carlos Mario Giraldo, Grupo Éxito CEO and **Juan Felipe Montoya**, vice-president of Human Resources.

We obtained the Equipares Gold Seal



This is a recognition of our Gender Equity and Equality Management System. With this seal, we confirm that:

We affirmed with this seal that:

- Our recruiting and selection processes are free of gender bias and stereotypes

- We promote and develop our teams, valuing talent, skills, and competencies and promoting female leadership.
- We have a valuable and attractive offer in training programs, highlighting our Diverse and Inclusive Academy.
- We have a harmonious work environment endowed with respect and empathy.
- Inclusive communication is key to social transformation, and our content has high equity, diversity, and inclusion standards.
- We have attractive conciliation measures from which we value the role of people in all scenarios: family, personal, social, and work.
- We are committed to having spaces free of any violence.
- We have clear compensation policies that promote salary equity at all levels.

The success of Grupo Éxito is in its people

Women's participation in our corporate structure

29,63% of senior management positions are hold by women.

37,52% of Directors positions are hold by women

45,69% of Supervision positions are hold by women

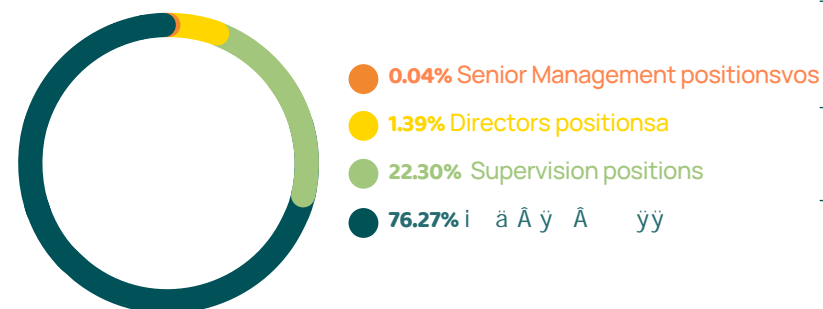
53,57% of Operational positions are hold by women

40,05% of STEM* positions are hold by women

33,33% of commercial positions with Management responsibilities are hold by women

*Stem: Science, technology or engineering positions

Participation of women in our corporate structure



- The Women Leaders program graduated **50** women
- The Diverse and Inclusive Academy consists of **21** programs
- We completed **22,146** trainings this year
- **41,57%** of the company's leaders are women

“Hombres Inéditos” is a space dedicated to creating a more equal and inclusive society.

We have developed a bias-free environment to discuss the emerging masculinities and their most essential goals for achieving gender equality. “Hombres Inéditos” is creating a community free of stigma, violence, and discrimination: a safe haven for everybody.

Salary Ratio [GRI 405-2] [FB-FR-310:1]

	Ratio salarial
Medium	0.98
Medium + incentives	0.96
Senior management	0.77
Managerial posts	0.94
Supervisors + operational	1.03

Learn more about our living wage policy

We promote social interaction

[GRI 2-30] [GRI 407-1] [FB-FR-3101.2]

We recognize the right to union association and not-union affiliation, respect collective bargaining agreements, and encourage social dialogue with the different stakeholders. We have four collective bargaining agreements: three negotiated in 2022 and a collective bargaining agreement for the food industry governing working conditions, also negotiated in the same year. .



We provide the same economic benefits, established in the collective bargaining agreements, to 100% of the company's employees, in order to maintain equity..

The Labor Coexistence Committee handled **24** employee complaints about suspected acts of labor and/or sexual harassment, each one of them were closed and assured its secrecy, confidentiality, due process, and recommendations. [GRI 406-1].

The Diverse and Inclusive Academy consists of 21 programs
[GRI 410-1]

We safeguard the health and safety of our employees

[FB-FR-310^a-3]

- 8,760 employees took part in six workplace health and safety trainings [GRI 403-5].

59,708

hours of workplace health and safety training.

	Women	Men	Others	Contractors
Absenteeism due to common illness	87,542	58,933	11	N/A
Absenteeism due to occupational diseases [GRI 403-10]	1,129	894	0	N/A
Absenteeism due to occupational accidents [GRI 403-9]	4,067	6,177	0	N/A
Fatalities	0	0	0	N/A
Total	92,738	66,004	11	

*Lost Time Injury Frequency Rate



LTIFR*	2019	2020	2021	2022
Percentage of employees	8.28%	2.89%	3.68%	4.47%
Percentage of contractors	0%	0%	8.16%*	8.54%

*This figure covers only 35% of third party employees.



Learn more about our
Health and Safety Policy

Achievements in 2022 [GRI 3-3]

- We were awarded the Equipares Gold Seal
- We implemented the Vida Digna plan for our employees
- We have invested about COP 855 million on our employees
- We trained over 51,676 workers.
- 96% of our workers indicated their commitment to the company

Retos de 2023

- To implement required effort to achieve the Friendly Biz seal
- To seek to enhance the health, housing, education, and nutrition for 3,000 employees and their families
- To encourage hiring of a diverse population
- To score 64 points on the climate and labor commitment survey

Governance & Integrity

We are inspired by trusting relationships with our stakeholders.

We remain one of
the top ten most sustainable
food retailers in the world



We work,
on these fronts to
achieve this:

- We work on these fronts to achieve this:
- To promote good corporate governance practices
- To promote respect for human rights
- To facilitate diverse and inclusive environments
- To drive ethics and transparency standards
- To watch over the building of trust and promote one coherent communication process.



We stand out among over 7,500 organizations in 61 industries for our best practices.



It is a commitment to the country where we were born and grew up our unwavering values, and the desire to rise every day to serve Colombia and its people with love.

Thanks to our environmental, social, economic, and corporate governance management, we stood out in the Corporate Sustainability Assessment (CSA) for the fourth consecutive year.

Being part of this publication highlights our commitment to implementing increasingly sustainable business strategies and practices in a market that demands more transparency and in which sustainability has become a main focus.

We were in the

95th
percentile
of the global industry
with a score of 69 out
of 100.



Find out here more
information

- We grew 6 points, which represents an increase versus the 2021 result. This evidences our commitment to give the maximum possible in the actions implemented from the sustainability strategy n.

For the fourth consecutive year
we were part of the

Sustainability Yearbook
Member 2022

S&P Global



We are part of 13 Colombian companies that positioned themselves among world's bests.

With a rating of
B-, we moved up
two categories
in the **Carbon
Disclosure
Project (CDP)**
on the Climate
form.

This means that we are a
company that takes consiuis
actions on climate challenges.
We outperform the worldwide
average in the retail industry.



Learn more about the
CDP category here.

We promote excellent practices in corporate governance

We are motivated to make a significant commitment to implementing best practices and national and international standards in corporate governance and transparency, as proven by the development and maintenance of valued partnerships with our stakeholders.

We managed important issues in an atmosphere of honesty and in accordance with internal norms and current standards.



The 2022 Corporate Governance Report may be seen here.

Political campaign contributions [GRI 415-1]	COP 0
--	-------

Contributions to professional organisations [GRI 2-28]	COP 181,868,352
--	-----------------

We received the Colombian Stock Exchange's IR Recognition for the third year in a row, a program that highlights firms' efforts to go above and beyond to improve confidence and credibility within the investing community.



We updated our corporate policies::



Environmental Policy



Climate Change Policy



Packaging Policy



Human Rights Policy

We created new corporate policies [GRI 2-23] [GRI 3-3]



Biodiversity Policy



Food waste Policy





We encourage our stakeholders to uphold ethical and transparent standards



We are continually training and fostering a transparent culture among our personnel.

We have continued strengthening the compliance processes, integrated by the Transparency Program, the Program for the Prevention of Risks of Money Laundering, Financing of Terrorism and Financing of the Proliferation of Weapons of Mass Destruction, and the Personal Data Protection Program, which frame our actions in the 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 the strategic objectives.

We highlight the leadership and commitment assumed by Senior Management in developing the different initiatives aimed at raising the level of maturity and consolidation of the programs. Among these, the following stand out: the updating of risk exercises to reinforce the prevention and control scheme, together with constant training and generation of a culture of transparency among employees regarding the different elements that comprise them.

The are all actors in transparency initiatives.

- We conducted communication and awareness-raising actions on the policies of the Business Ethics Program to 219 suppliers of goods, services, and products, fundamental allies for constructing transparent, sustainable, and high-value relationships.
- We developed the annual communication plan Soy Transparente (I am Transparent), focused on recognizing each leader and each employee's contribution to the adherence to an ethical corporate culture, marked by coherent behavior between thinking, saying, and doing.
- We share with the business sector the experiences and compliance practices that generate value through spaces such as the II Compliance Congress, led by the Medellín Chamber of Commerce and Olarte Moure.

7,409
employees

trained in the stores for the prevention of money laundering and terrorist financing

42,503
employees

trained in the virtual module Guardianes Éxito, a new training program on the effective management of fraud, bribery, corruption, ML/FT, personal data processing, and compliance issues.



We promote respect for human rights

[GRI 414] [GRI 308]

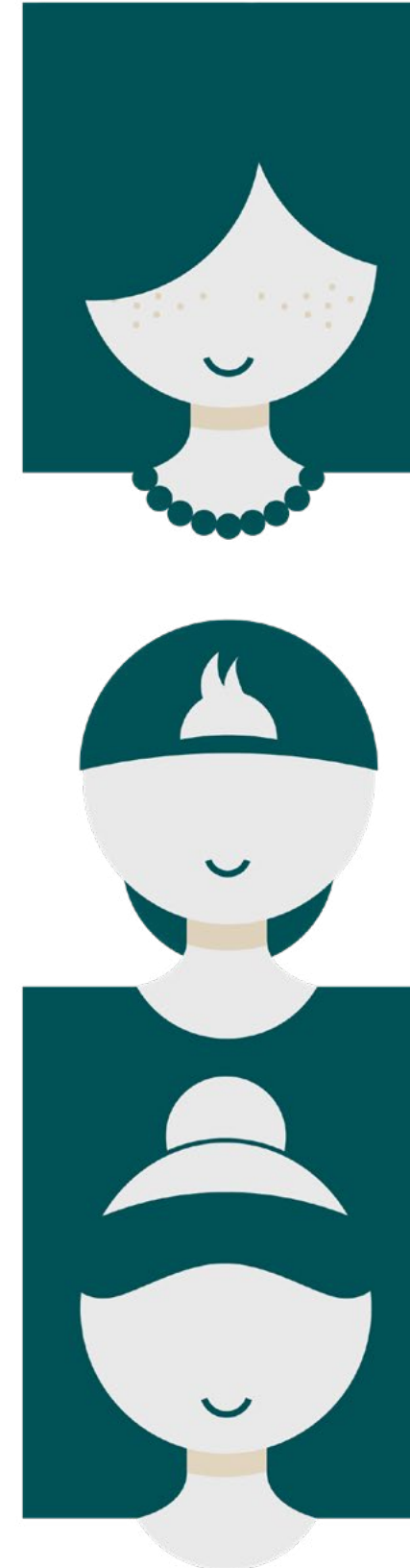


We ratified our commitment to human rights, aligned with the United Nations Global Compact initiative. We continued to adopt the principles and associated tools, such as the development self-assessment, in partnership with the Danish Institute for Human Rights, the Confederation of Danish Industries, the Ministry of Economic and Business Affairs, and the Danish Industrialization Fund for Developing Countries (Global Compact Self Assessment Tool).

Through social audits of our private label suppliers, we ensure that we protect human rights in our supply chain and promote environmental care based on the Universal Declaration of Human Rights, the United Nations Global Compact, the International Labor Organization, and the Supplier Ethics Charter [GRI 408-1] [GRI 409-1].



Read our Human Rights Statement [here](#)



251
suppliers
evaluated

through our environmental and social audits

100%
of our Private
Label

suppliers were assured in terms of quality and safety, human rights and environmental issues

56
new suppliers
evaluated [GRI 414-1]

686
suppliers

signed the Supplier Ethics Charter, which outlines the criteria required for our supply chain



To read the Suppliers' Ethical Charter, click [here](#).

We promote and move forward towards a more diverse and inclusive society

[GRI 414] [GRI 308]



11
stores

transformed with accessible infrastructure.



56,022
employees

were trained to make work equipment and the environment more accessible to individuals with disabilities.



1,153
employees

received sign language interpreting training.

Governance & Integrity



We worked with 37 leading organizations to develop work strategies and methods to address gender gaps in Colombia.



We assume the challenge of being co-leaders of the IPG with the conviction of contributing to society, thanks to our experience in recruitment, training, development, environment, work climate, prevention of sexual and workplace harassment, inclusive communication, and conciliation.



We launched Equi-Rutas: a platform for all businesses to promote gender equality in the country.

- Within the framework of Colombia's Gender Parity Initiative (IPG, for its acronym in Spanish), and with the support of the Ministry of Labor and the Inter-American Development Bank (IDB), we launched Equi-Rutas: a toolbox that aims to guide public-private sector organizations in their efforts to advance on the road to gender equity.



Gender equity is a challenge for the country: according to the diagnosis of the IPG - Gender Parity Initiative (IPG, for its acronym in Spanish) in Colombia, in topics such as remuneration, there is a 17% wage gap of 17%, women's labor force participation is 27% lower, and only 25% of women hold managerial positions.

Creating trustworthy connections with communities inspires us

Pigmentos Urbanos

We have been able to work with communities in 13 cities and 22 stores thanks to this program. We get closer to the territories and recognize their identity. At the end of the initiative, there will be 36 in total.

19 cities

workshops with more than

500 young

talents from Colombia on art, culture, and social cartographies that aid in understanding the culture and way of life of the community.

“ I want to use my art to promote diversity. To do this, I have emphasized aspects of urban cultures, the natural beauty of the Colombian Pacific, and urban settings. It is a component of both racial and ethnic growth

Bemva, creator of the Simón Bolívar mural in Cali



Graffiti in Exito San Fernando, Cali.

”



Find out here

“Embochincharte” with Grupo Éxito

Through a variety of artistic, cultural, recreational, and educational activities, we are helping the region, particularly the Valle del Cauca, grow and come together.

More than

500 children

have attended the events.

Additionally, we collaborated with Compromiso Valle to strengthen the management of the community restaurants in the handling, preparation, and storage of food in the municipalities of Cali, Palmira, Yumbo, and Candelaria. By doing this, we were able to lower risk and put in place effective procedures that would ensure their sustainability.



Director of the Bochinch Foundation, Jhon Eyder Biáfara, is one of our friends in advancing our initiatives in the Valle del Cauca.

85 Cali 3 Yumbo 10 Palmira





Nourishing
Colombia with
Opportunities

We continue to make progress in measuring the value provided to society through the **Modelo Bien+** to foster possibilities in the country.

[GRI 203-1] [GRI 203-2]

Beyond economic rewards, we aspire to provide good value for society. Since 2021, we have been monitoring, assessing, and monetizing the positive and negative consequences of our operations and purposeful actions on society and the environment. This measurement is carried out using the Modelo Bien+ approach established by EAFIT University, which allows us to assign monetary values to externalities in the environmental, social, and economic aspects.

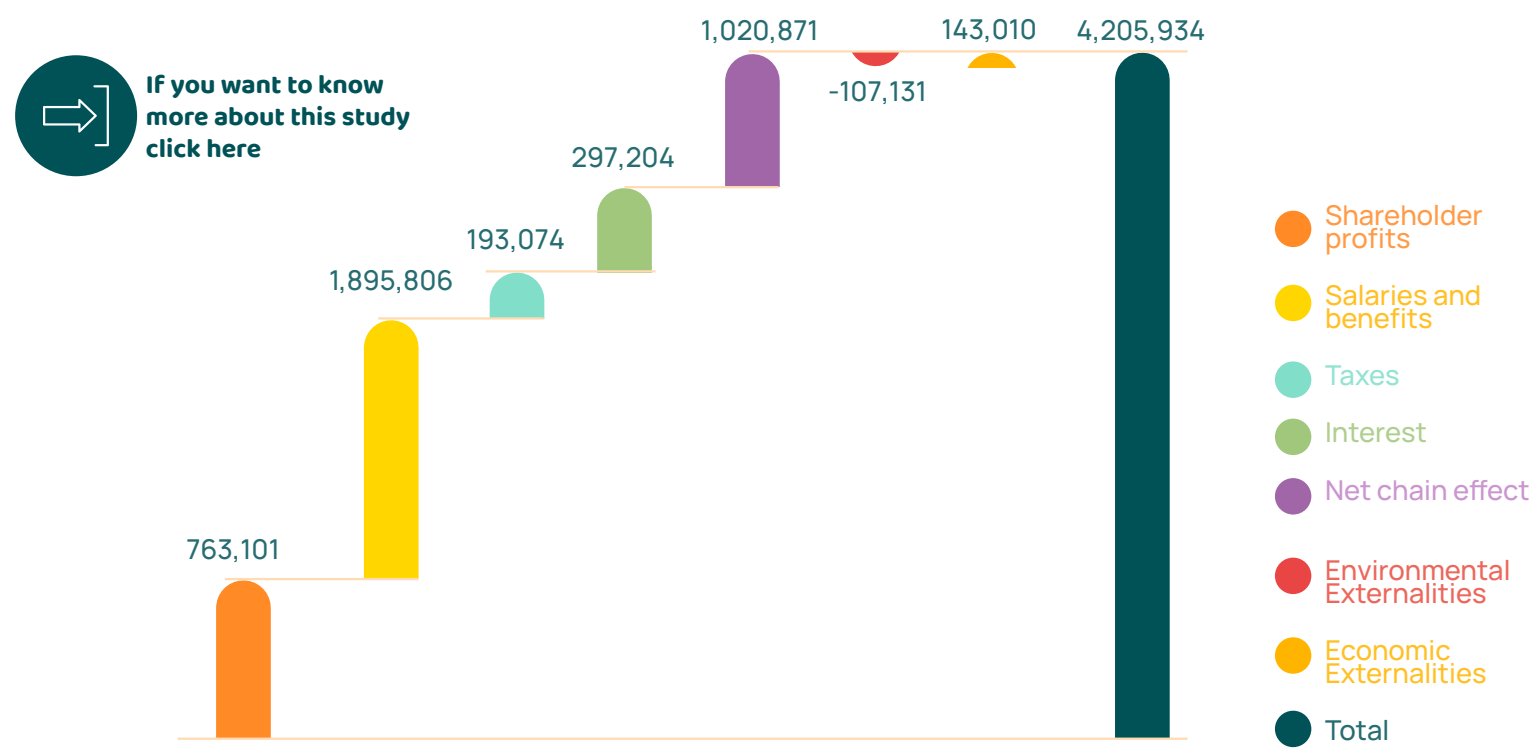
In 2022, we produced COP 5.5 of value for society for every COP we generated for our shareholders.

More than COP \$ 149,000 million in social value has been produced via volunteer initiatives.

Environmental dimension	COP-\$ 107,131 M
Emissions (Scope 1 and 2)	COP -\$ 29,298 M
Emissions compensation	COP \$ 2,047 M
Water consumption	COP -\$ 19,355 M
Refrigerant chaing retrofit	COP \$ 2,386 M
Sustainable mobility	COP \$ 76 M
Back-store recycling	COP \$ 6,595 M
SoyRE - Postconsumotion	COP \$ 184 M
Beef commercialization	COP -\$ 69,854 M
Food donation	COP \$ 87 M

Economic dimension	COP\$ 4,191,948 M
Salaries and benefits	COP \$ 1,895,806 M
Interests	COP \$ 297,204 M
Taxes	COP \$ 193,074 M
Profits	COP \$ 763,101 M
Chain effect	COP \$ 1,020,871 M
Economic incentive SoyRe (Puntos Colombia)	COP \$ 358 M
Local pruchase of fruits and vegetables	COP \$ 19,939 M
Local pruchase of textiles	COP \$ 1,595 M
Total Added Value Net	COP \$ 4,205,934 M

Social dimension	COP \$ 121,117 M
Back-store recycling	COP \$ 101,376 M
Education benefits for employees	COP \$ 1,494 M
Tiempo para ti, for employees	COP \$ 1,483 M
Training programas for employees	COP \$ 686 M
Philanthropy investments	COP \$ 16,078 M



We have once again been named one of the top ten firms in Colombia with the best reputation

According to the Merco 2022 survey, we are ranked eighth among the country's most reputable businesses. Furthermore, our CEO, Carlos Mario Giraldo Moreno, has been named one of the country's business leaders.



Merco, the top business survey monitor of corporate reputation in more than 15 countries, analyzes firms and leaders in Colombia on an annual basis.

We are recognized for our efforts in innovation and sustainability

- We were acknowledged by **Compromiso Empresarial por el Reciclaje (Cempre)** and **The Waste and Resources Action Programme (WRAP)** for being one of the businesses that made the most contributions to the design of the Pact for Plastics in Colombia.
- For our work on the Sustainable Livestock Model, we were **awarded the Xposable** recognition by the firm Colsubsidio 2022.
- We were ranked as the second-best firm overall in Open Innovation 2022 in Colombia by Connect Bogota Region and 100 Open Startups.
- We received the GrandPrix 2022 honors from VTEX Commerce, **which named us Colombia's top multi-category retailer.**

We received a grade of

48
points in
the NPS

Achievements for 2022 [GRI 3-3]

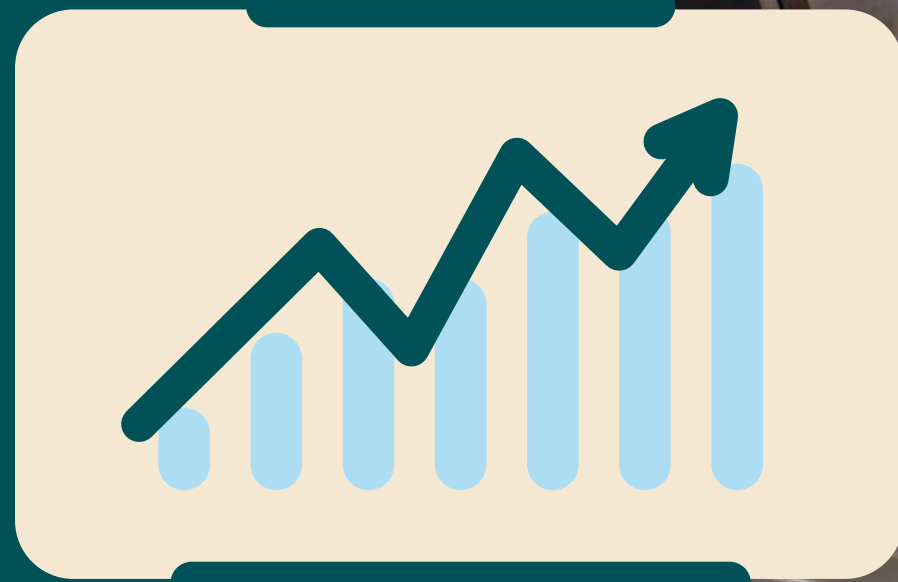
- According to the CSA and the Sustainability Yearbook, we are still among the top ten most sustainable food sellers.
- The communities concept is implemented in the following units through initiatives such as Pigmentos Urbanos, Embochincharte con Éxito, Terrazas Verdes, and others.
- External review of the Board of Directors' and its committees' performance.
- Split: a bylaw modification that lowers the par value of Éxito's shares.
- Filing with the CVM: the start of the steps for registering on the Brazilian stock exchange

Challenges for 2023

- Advance the steps required for the stock's listing on the Brazilian and US stock exchanges.
- Work on putting the community data analysis approach into practice.
- Organize the training of 200 suppliers on ethical and transparent business practices.
- By 2023, the corporate reputation model is likely to be consolidated.

Statements of financial

- Consolidated
- Separate



*This Integrated Report was created using the GRI Global Reporting Initiative methodology, an international standard that represents best reporting practices from throughout the world.

Consolidated statements of financial position

At December 31, 2022 and 2021
(Amounts expressed in millions of Colombian pesos)

	Notes	At December 31, 2022	At December 2021
Current assets			
Cash and cash equivalents	7	1,733,673	2,541,579
Trade receivables and other receivables	8	779,355	625,931
Prepayments	9	39,774	36,515
Related parties	10	47,122	56,475
Inventories, net	11	2,770,443	2,104,303
Financial assets	12	45,812	14,331
Tax assets	24	509,884	429,625
Assets held for sale	41	21,800	24,601
Total current assets		5,947,863	5,833,360
Non-current assets			
Trade receivables and other receivables	8	50,521	58,120
Prepayments	9	6,365	9,195
Receivables with related parties	10	35,000	24,500
Financial assets	12	32,572	40,630
Deferred tax assets	24	142,589	205,161
Rights of use asset, net	13	1,443,469	1,370,512
Other intangible assets, net	14	424,680	363,987
Investment property, net	15	1,841,228	1,656,245
Property, plant and equipment, net	16	4,474,280	4,024,697
Goodwill	17	3,484,303	3,024,983
Investments accounted for using the equity method	18	300,021	289,391
Other assets		398	398
Total non-current assets		12,235,426	11,067,819
Total assets		18,183,289	16,901,179

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

	Notes	At December 31, 2022	At December 2021
Current liabilities			
Loans and borrowings	20	915,604	674,927
Employee benefits	21	4,555	2,482
Provisions	22	27,123	24,175
Payable to related parties	10	79,189	65,646
Trade payables and other payable	23	5,651,303	5,136,626
Lease liabilities	13	263,175	234,178
Tax liabilities	24	109,726	81,519
Derivative instruments and collections on behalf of third parties	25	136,223	81,544
Other liabilities	26	228,496	217,303
Total current liabilities		7,415,394	6,518,400
Non-current liabilities			
Loans and borrowings	20	539,980	742,084
Employee benefits	21	32,090	17,896
Provisions	22	15,254	11,086
Trade payables and other payable	23	70,472	49,929
Lease liabilities	13	1,392,780	1,360,465
Deferred tax liabilities	24	277,713	166,751
Tax liabilities	24	2,749	3,924
Other liabilities	26	2,411	2,167
Total non-current liabilities		2,333,449	2,354,302
Total liabilities		9,748,843	8,872,702
Shareholders' equity			
Share capital		4,482	4,482
Reserves		1,541,586	1,306,445
Other equity components		5,680,013	5,570,478
Equity attributable to non-controlling interest		1,208,365	1,147,072
Total shareholders' equity		8,434,446	8,028,477
Total liabilities and shareholders' equity		18,183,289	16,901,179



Consolidated statements of profit or loss

For the years ended December 31, 2022 and 2021
(Amounts expressed in millions of Colombian pesos)

Continuing operations	Notes	Year ended December 31,	
		2022	2021
Revenue from contracts with customers	28	20,619,673	16,922,385
Cost of sales	11	(15,380,090)	(12,488,856)
Gross profit		5,239,583	4,433,529
Distribution, administrative and selling expenses	29	(4,231,887)	(3,489,920)
Other operating expenses, net	31	(17,562)	(24,201)
Operating profit		990,134	919,408
Financial income	32	219,909	173,819
Financial cost	32	(600,383)	(369,574)
Share of profit in associates and joint ventures		(34,720)	7,234
Profit before income tax from continuing operations		574,940	730,887
Income tax expense	24	(325,702)	(137,670)
Profit for the year from continuing operations		249,238	593,217
Net loss from discontinued operations		-	(280)
Profit for the year		249,238	592,937
Net profit attributable to:			
Equity holders of the Parent		99,072	474,681
Non-controlling interests		150,166	118,256
Profit for the year		249,238	592,937
Basic and diluted earnings per share (*):			
Basic and diluted earnings per share attributable to the shareholders of the Parent	33	76.33	365.74
Basic and diluted earnings per share from continuing operations attributable to the shareholders of the Parent	33	76.33	365.96
Basic and diluted (losses) earnings per share from discontinued operations attributable to the shareholders of the Parent	33	-	(0.22)

(*) Amounts expressed in Colombian pesos.

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

Consolidated statements of other comprehensive income

For the years ended December 31, 2022 and 2021
(Amounts expressed in millions of Colombian pesos)

		Year ended December 31,	
		2022	2021
Profit for the year		249,238	592,937
Components of other comprehensive income that will not be reclassified to profit and loss, net of taxes	27		
Remeasurement gain (loss) on defined benefit plans		2,123	1,812
(Loss) gain from financial instruments designated at fair value through other comprehensive income		(4,003)	(932)
Total other comprehensive income that will not be reclassified to period results, net of taxes		(1,880)	880
Components of other comprehensive income that may be reclassified to profit and loss, net of taxes			
Gain (loss) from translation exchange differences (1)	27	266,807	111,657
Net loss on hedge of a net investment in a foreign operation	27	2,473	(5,755)
Gain (loss) from cash flows hedges	27	4,495	4,909
Total other comprehensive income that may be reclassified to profit or loss, net of taxes		273,775	110,811
Total other comprehensive income		271,895	111,691
Total comprehensive income		521,133	704,628
Comprehensive income attributable to:			
Equity holders of the Parent		372,327	585,186
Non-controlling interests		148,806	119,442

(1) Represents exchange differences arising from the translation of assets, liabilities, equity and results of foreign operations into the reporting currency.

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

Consolidated statements of changes in equity

For the years ended December 31, 2022 and 2021
(Amounts expressed in millions of Colombian pesos)

Attributable to the equity holders of the parent

	Issued share capital Note 27	Premium on the issue of shares Note 27	Treasury shares Note 27	Legal reserve Note 27	Occasional reserve Note 27	Reserves for acquisition of treasury shares Note 27	Reserve for future dividends distribution Note 27	Other reserves Note 27	Total reserves Note 27	Other comprehensive income Note 27	Retained earnings	Hyperinflation and other equity components Total	Non-controlling interests	Total shareholders' equity	
Saldo al 31 de diciembre de 2020	4,482	4,843,466	(2,734)	7,857	734,782	22,000	155,412	337,664	1,257,715	(1,350,662)	643,306	808,290	6,203,863	1,200,410	7,404,273
Cash dividend declared	-	-	-	-	(49,609)	-	-	-	(49,609)	-	(123,614)	-	(173,223)	(127,773)	(300,996)
Net income	-	-	-	-	-	-	-	-	-	-	474,681	-	474,681	118,256	592,937
Other comprehensive income	-	-	-	-	-	-	-	-	-	110,505	-	-	110,505	1,186	111,691
Appropriation to reserves	-	-	-	-	107,258	-	-	-	107,258	-	(107,258)	-	-	-	-
Changes in interest in the ownership of subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	-	-	-	-	(5,506)	(5,506)	3,419	(2,087)
Inflationary effect of subsidiary Libertad S.A.	-	-	-	-	-	-	-	-	-	-	-	278,474	278,474	-	278,474
Changes in fair value of put option on non-controlling interests and other movements	-	-	-	-	(784)	-	-	(8,135)	(8,919)	-	1,530	-	(7,389)	(48,426)	(55,815)
Balance at December 31, 2021	4,482	4,843,466	(2,734)	7,857	791,647	22,000	155,412	329,529	1,306,445	(1,240,157)	888,645	1,081,258	6,881,405	1,147,072	8,028,477
Cash dividend declared	-	-	-	-	(12,330)	-	-	-	(12,330)	-	(225,348)	-	(237,678)	(156,808)	(394,486)
Net income	-	-	-	-	-	-	-	-	-	-	99,072	-	99,072	150,166	249,238
Other comprehensive income	-	-	-	-	-	-	-	-	-	273,255	-	-	273,255	(1,360)	271,895
Acquisition of treasury shares	-	-	(316,756)	-	-	-	-	-	-	-	-	-	(316,756)	-	(316,756)
Appropriation to reserves	-	-	-	-	(147,108)	396,442	-	-	249,334	-	(249,334)	-	-	-	-
Changes in interest in the ownership of subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	-	-	-	-	(14,072)	(14,072)	(6,426)	(20,498)
Inflationary effect of subsidiary Libertad S.A.	-	-	-	-	-	-	-	-	-	-	-	581,478	581,478	-	581,478
Changes in fair value of put option on non-controlling interests and other movements	-	-	-	-	(1,863)	-	-	-	(1,863)	-	2,529	(41,289)	(40,623)	75,721	35,098
Balance at December 31, 2022	4,482	4,843,466	(319,490)	7,857	630,346	418,442	155,412	329,529	1,541,586	(966,902)	515,564	1,607,375	7,226,081	1,208,365	8,434,446

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

Consolidated statements of cash flows

For the years ended December 31, 2022 and 2021
(Amounts expressed in millions of Colombian pesos)

	Year ended December 31,			Year ended December 31,		
	Notes	2022	2021	Notes	2022	2021
Operating activities				Investing activities		
Profit for the year		249,238	592,937	Advances to joint ventures	13.1	(55,850) (24,500)
Adjustments to reconcile profit for the year				Acquisition of property, plant and equipment	15	(380,815) (330,450)
Current income tax	24	192,268	122,096	Acquisition of other assets	15	(7,002) (708)
Deferred income tax	24	133,434	15,574	Acquisition of investment property	14	(81,838) (86,149)
Interest, loans and lease expenses	32	210,558	147,148	Acquisition of intangible assets		(27,519) (42,774)
(Gain) from changes in fair value of derivative financial instruments	32	(13,213)	(26,780)	Proceeds of the sale of property, plant and equipment and intangible assets.		23,095 4,396
Impairment of receivables, net	8.1	4,709	8,027	Net cash flows used in investing activities		(529,929) (480,185)
Impairment (reversal) losses of inventories, net	11.1	1,813	(5,844)			
Impairment of property, plant and equipment, investment properties and right of use asset	13; 14; 15	2,201	4,527	Financing activities		
Employee benefit provisions	21	19,411	2,463	Proceeds from financial assets		3,462 23,625
Provisions	22	26,562	30,735	Proceeds from derivative instruments and collections on behalf of third parties		49,242 11,679
Depreciation of property, plant and equipment, investment property and right of use asset	13; 14; 15	556,686	510,498	Proceeds from loans and borrowings	20	876,798 370,620
Amortization of intangible assets	14	27,216	17,693	Repayment of loans and borrowings	20	(995,865) (500,834)
Share of profit in associates and joint ventures accounted for using the equity method	18	34,720	(7,234)	Payments of interest of loans and borrowings	20	(98,872) (54,178)
Loss from the disposal of non-current assets	31	(11,100)	17,971	Lease liabilities paid	13.2	(266,357) (220,830)
Loss from reclassification of assets held for sale	31	230		Interest on lease liabilities paid	13.2	(96,959) (94,909)
Interest income	32	(27,040)	(17,277)	Dividends paid	37	(397,022) (303,483)
Other adjustments from items other than cash		62,326	4,533	Interest received	32	27,040 17,277
Operating income before changes in working capital		1,470,019	1,417,065	Payments share buy-back		(316,756) -
Increase in trade receivables and other accounts receivable		(120,532)	(169,941)	(Payment) proceeds from transactions with non-controlling interest		(20,532) (3,178)
Decrease in prepayments		849	2,603	Other		- 1,137
Decrease (increase) in receivables from related parties		9,275	(17,015)	Net cash flows used in financing activities		(1,235,821) (753,074)
Increase in inventories		(586,328)	(150,859)	Net (decrease) increase in cash and cash equivalents		(864,321) 110,367
Increase in tax assets		(6,195)	(11,940)	Effects of the variation in exchange rates		56,415 21,821
Decrease in employee benefits		(2,784)	(2,660)	Cash and cash equivalents at the beginning of period	7	2,541,579 2,409,391
Decrease in other provisions		(18,556)	(38,135)	Cash and cash equivalents at the end of period	7	1,733,673 2,541,579
Increase in trade payables and other accounts payable		322,166	375,684			
Increase in accounts payable to related parties		16,588	15,627			
Increase in tax liabilities		19,099	7,594			
(Decrease) increase in other liabilities		(368)	52,518			
Income tax paid		(201,804)	(136,915)			
Net cash flows provided by operating activities		901,429	1,343,626			

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



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INFORME DEL REVISOR FISCAL

Señores Accionistas
Almacenes Éxito S.A.:

Informe sobre la auditoría de los estados financieros

Opinión

He auditado los estados financieros separados de Almacenes Éxito S.A. (la Compañía), los cuales comprenden el estado de situación financiera separado al 31 de diciembre de 2022 y los estados separados de resultados y de resultados integrales, de cambios en el patrimonio y de flujos de efectivo por el año que terminó en esa fecha y sus respectivas notas, que incluyen las políticas contables significativas y otra información explicativa.

En mi opinión, los estados financieros separados que se mencionan, preparados de acuerdo con información tomada fielmente de los libros y adjuntos a este informe, presentan razonablemente, en todos los aspectos de importancia material, la situación financiera no consolidada de la Compañía al 31 de diciembre de 2022, los resultados no consolidados de sus operaciones y sus flujos no consolidados de efectivo por el año que terminó en esa fecha, de acuerdo con Normas de Contabilidad y de Información Financiera aceptadas en Colombia, aplicadas de manera uniforme con el año anterior.

Bases para la opinión

Efectué mi auditoría de conformidad con las Normas Internacionales de Auditoría aceptadas en Colombia (NIAs). Mis responsabilidades de acuerdo con esas normas son descritas en la sección "Responsabilidades del revisor fiscal en relación con la auditoría de los estados financieros separados" de mi informe. Soy independiente con respecto a la Compañía, de acuerdo con el Código de Ética para profesionales de la Contabilidad emitido por el Consejo de Normas Internacionales de Ética para Contadores (Código IESBA - *International Ethics Standards Board for Accountants*, por sus siglas en inglés) incluido en las Normas de Aseguramiento de la Información aceptadas en Colombia junto con los requerimientos éticos que son relevantes para mi auditoría de los estados financieros separados establecidos en Colombia y he cumplido con mis otras responsabilidades éticas de acuerdo con estos requerimientos y el Código IESBA mencionado. Considero que la evidencia de auditoría que he obtenido es suficiente y apropiada para fundamentar mi opinión.

Párrafo de énfasis

Llamo la atención sobre la nota 42 a los estados financieros separados, la cual indica que la información comparativa por el año terminado el 31 de diciembre de 2021 ha sido re-expresada para corregir la presentación del estado de flujos de efectivo separado. Mi opinión no se modifica en relación con este asunto.

Asuntos clave de auditoría

Asuntos clave de auditoría son aquellos que, según mi juicio profesional, fueron de la mayor importancia en mi auditoría de los estados financieros separados del período corriente. Estos asuntos fueron abordados en el contexto de mi auditoría de los estados financieros separados como un todo y al formarme mi opinión al respecto, y no proporciono una opinión separada sobre estos asuntos.

Evaluación del deterioro de la plusvalía y otros activos intangibles con vida útil indefinida (ver notas 13 y 16 a los estados financieros separados)	
Asunto clave de Auditoría	Cómo fue abordado en la auditoría
<p>El estado de situación financiera separado de la Compañía incluye una plusvalía por \$1.453.077 millones y otros activos intangibles con vida útil indefinida (marcas y derechos) por \$101.622 millones, derivado de adquisiciones efectuadas en años anteriores, sobre el cual se requiere una evaluación de deterioro anual de acuerdo con la NIC 36 - Deterioro del Valor de los Activos.</p> <p>Lo anterior representa un asunto clave de auditoría debido a la materialidad de los saldos de la plusvalía y otros activos intangibles con vida útil indefinida, y porque involucra juicios complejos y subjetivos realizados por la administración de la Compañía con relación al crecimiento de las ventas a largo plazo, los costos y márgenes de operación proyectados en las diferentes regiones donde opera la Compañía, así como en la determinación de las tasas de descuento utilizadas para descontar los flujos de efectivo futuros.</p>	<p>Mis procedimientos de auditoría para la evaluación del deterioro de la plusvalía y otros activos intangibles con vida útil indefinida incluyeron, entre otros, los siguientes:</p> <ul style="list-style-type: none"> - Involucramiento de profesionales con conocimiento y experiencia relevante en la industria que me asistieron en: (1) evaluar los supuestos claves utilizados en las pruebas de deterioro realizadas por la Compañía, incluidos los datos de entrada, (2) efectuar recálculos independientes soportados con información obtenida de fuentes externas sobre las tasas de descuento y las variables macroeconómicas utilizadas, y (3) comparar el resultado de los cálculos obtenidos con los realizados por la Compañía. - Comparación del presupuesto del año anterior con los datos reales, para verificar el grado de cumplimiento y, consecuentemente, la precisión de las proyecciones realizadas por la administración de la Compañía. - Evaluación de si las revelaciones incluidas en las notas a los estados financieros son apropiadas de acuerdo con la NIC 36.

Evaluación de la existencia y exactitud de descuentos y rebajas en compras (Ver nota 10 a los estados financieros separados)	
Asunto clave de Auditoría	Cómo fue abordado en la auditoría
<p>La Compañía tiene reconocido en el estado de resultados separado descuentos y rebajas en compras por \$1.949.214 millones, originados por negociaciones con proveedores principalmente por volumen de compras. Los descuentos y rebajas recibidos de los proveedores se reconocen como un menor valor de las cuentas comerciales por pagar y del costo de ventas correspondiente a los bienes vendidos en el período.</p> <p>Consideré como asunto clave de auditoría la evaluación de la existencia y exactitud de los descuentos y rebajas en compras, debido al gran número de acuerdos individuales y al esfuerzo de auditoría requerido para evaluar si los descuentos y rebajas se contabilizaban de acuerdo con los términos contractuales establecidos con cada proveedor.</p>	<p>Mis procedimientos de auditoría para evaluar la existencia y exactitud de los descuentos y rebajas en compras incluyeron, entre otros, los siguientes:</p> <p>(1) Sobre los descuentos y rebajas en compras reconocidos en el año, se seleccionó una muestra para validar la aprobación de los acuerdos de negociación, por parte de la Compañía y de los proveedores.</p> <p>(2) Sobre la muestra del punto anterior se comparó contra el acuerdo de negociación correspondiente, la naturaleza del descuento, las bases de liquidación y las tarifas pactadas en los mismos, con el fin de efectuar un recálculo del descuento aplicado y las cuentas contables afectadas.</p> <p>(3) Realicé confirmación a una muestra de los descuentos y rebajas en compras por compensar al 31 de diciembre de 2022 para validar la existencia y exactitud de estos saldos, y sobre las respuestas no recibidas realicé procedimientos alternos.</p>

Otros asuntos

Los estados financieros separados de Almacenes Éxito S.A. al y por el año terminado el 31 de diciembre de 2021 se presentan exclusivamente para fines de comparación y, excluyendo los ajustes descritos en la nota 42 a los estados financieros separados, fueron auditados por otro contador público quien en su informe de fecha 23 de febrero de 2022, expresó una opinión sin salvedades sobre los mismos.

Como parte de mi auditoría a los estados financieros separados al y por el año terminado el 31 de diciembre de 2022, audité los ajustes descritos en la nota 42, que fueron aplicados para re-expresar la información comparativa presentada por el año que terminó el 31 de diciembre de 2021 del estado de flujos de efectivo separado. No fui contratado para auditar, revisar o aplicar cualquier procedimiento a los estados financieros separados al y por el año terminado al 31 de diciembre de 2021, diferente de los relacionados con los ajustes descritos en la nota 42 a los estados financieros separados. Consecuentemente, no expreso una opinión o cualquier forma de aseguramiento sobre estos estados financieros separados tomados en conjunto. Sin embargo, en mi opinión, los ajustes descritos en dicha nota son apropiados y han sido adecuadamente aplicados.

Otra información

La administración es responsable de la otra información. La otra información comprende la información incluida en el Reporte Integrado, pero no incluye los estados financieros separados y mi informe de auditoría correspondiente, ni el informe de gestión sobre el cual me pronuncio en la sección de Otros requerimientos legales y regulatorios, de acuerdo con lo establecido en el artículo 38 de la Ley 222 de 1995.

La información contenida en el Reporte Integrado se espera esté disponible para mí después de la fecha de este informe de auditoría.

Mi opinión sobre los estados financieros separados no cubre la otra información y no expreso ninguna forma de conclusión de aseguramiento sobre esta.

En relación con mi auditoría de los estados financieros separados, mi responsabilidad es leer la otra información y, al hacerlo, considerar si existe una incongruencia material entre esa información y los estados financieros separados o mi conocimiento obtenido en la auditoría, o si de algún modo, parece que existe una incorrección material.

Cuando lea el contenido del Reporte Integrado si concluyo que existe un error material en esa otra información, estoy obligado a informar este hecho a los encargados del gobierno corporativo.

Responsabilidad de la administración y de los encargados del gobierno corporativo de la Compañía en relación con los estados financieros separados

La administración es responsable por la preparación y presentación razonable de estos estados financieros separados de acuerdo con Normas de Contabilidad y de Información Financiera aceptadas en Colombia. Esta responsabilidad incluye: diseñar, implementar y mantener el control interno que la administración considere necesario para permitir la preparación de estados financieros separados libres de errores de importancia material, bien sea por fraude o error; seleccionar y aplicar las políticas contables apropiadas, así como establecer los estimados contables razonables en las circunstancias.

En la preparación de los estados financieros separados, la administración es responsable por la evaluación de la habilidad de la Compañía para continuar como un negocio en marcha, de revelar, según sea aplicable, asuntos relacionados con la continuidad de la misma y de usar la base contable de negocio en marcha a menos que la administración pretenda liquidar la Compañía o cesar sus operaciones, o bien no exista otra alternativa más realista que proceder de una de estas formas.

Los encargados del gobierno corporativo son responsables por la supervisión del proceso de reportes de información financiera de la Compañía.

Responsabilidades del revisor fiscal en relación con la auditoría de los estados financieros separados

Mis objetivos son obtener una seguridad razonable sobre si los estados financieros separados considerados como un todo, están libres de errores de importancia material bien sea por fraude o error, y emitir un informe de auditoría que incluya mi opinión. Seguridad razonable significa un alto nivel de aseguramiento, pero no es una garantía de que una auditoría efectuada de acuerdo con NIAs siempre detectará un error material, cuando este exista. Los errores pueden surgir debido a fraude o error y son considerados materiales si, individualmente o en agregado, se podría razonablemente esperar que influyan en las decisiones económicas de los usuarios, tomadas sobre la base de estos estados financieros separados.

Como parte de una auditoría efectuada de acuerdo con NIAs, ejerzo mi juicio profesional y mantengo escepticismo profesional durante la auditoría. También:

- Identifico y evalúo los riesgos de error material en los estados financieros separados, bien sea por fraude o error, diseño y realizo procedimientos de auditoría en respuesta a estos riesgos y obtengo evidencia de auditoría que sea suficiente y apropiada para fundamentar mi opinión. El riesgo de no detectar un error material resultante de fraude es mayor que aquel que surge de un error, debido a que el fraude puede involucrar colusión, falsificación, omisiones intencionales, representaciones engañosas o la anulación o sobrepaso del control interno.
- Obtengo un entendimiento del control interno relevante para la auditoría con el objetivo de diseñar procedimientos de auditoría que sean apropiados en las circunstancias.
- Evalúo lo apropiado de las políticas contables utilizadas y la razonabilidad de los estimados contables y de las revelaciones relacionadas, realizadas por la administración.
- Concluyo sobre lo adecuado del uso de la hipótesis de negocio en marcha por parte de la administración y, basado en la evidencia de auditoría obtenida, sobre si existe o no una incertidumbre material relacionada con eventos o condiciones que puedan indicar dudas significativas sobre la habilidad de la Compañía para continuar como negocio en marcha. Si concluyera que existe una incertidumbre material, debo llamar la atención en mi informe a la revelación que describa esta situación en los estados financieros separados o, si esta revelación es inadecuada, debo modificar mi opinión. Mis conclusiones están basadas en la evidencia de auditoría obtenida hasta la fecha de mi informe. No obstante, eventos o condiciones futuras pueden causar que la Compañía deje de operar como un negocio en marcha.
- Evalúo la presentación general, estructura y contenido de los estados financieros separados, incluyendo las revelaciones, y si los estados financieros separados presentan las transacciones y eventos subyacentes para lograr una presentación razonable.

- Obtengo evidencia de auditoría suficiente y apropiada respecto de la información financiera de las entidades o actividades de negocios dentro del Grupo para expresar una opinión sobre los estados financieros del Grupo. Soy responsable por la dirección, supervisión y realización de la auditoría del Grupo. Sigo siendo el único responsable por mi opinión de auditoría.

Comunico a los encargados del gobierno de la Compañía, entre otros asuntos, el alcance planeado y la oportunidad para la auditoría, así como los hallazgos de auditoría significativos, incluyendo cualquier deficiencia significativa en el control interno que identifique durante mi auditoría.

También proporciono a los encargados del gobierno corporativo la confirmación de que he cumplido con los requerimientos éticos relevantes de independencia y que les he comunicado todas las relaciones y otros asuntos que razonablemente se pueda considerar que influyen en mi independencia y, cuando corresponda, las salvaguardas relacionadas.

A partir de los asuntos comunicados con los encargados del gobierno corporativo, determino los asuntos que fueron de la mayor importancia en la auditoría de los estados financieros separados del período actual y, por lo tanto, son los asuntos clave de auditoría. Describo estos asuntos en mi informe del revisor fiscal a menos que la ley o regulación impida la divulgación pública sobre el asunto o cuando, en circunstancias extremadamente excepcionales, determino que un asunto no debe ser comunicado en mi informe porque las consecuencias adversas de hacerlo serían razonablemente mayores que los beneficios al interés público de tal comunicación.

Informe sobre otros requerimientos legales y regulatorios

Con base en el resultado de mis pruebas, en mi concepto durante 2022:

- a) La contabilidad de la Compañía ha sido llevada conforme a las normas legales y a la técnica contable.
- b) Las operaciones registradas en los libros se ajustan a los estatutos y a las decisiones de la Asamblea de Accionistas.
- c) La correspondencia, los comprobantes de las cuentas y los libros de actas y de registro de acciones se llevan y se conservan debidamente.
- d) Existe concordancia entre los estados financieros que se acompañan y el informe de gestión preparado por los administradores, el cual incluye la constancia por parte de la administración sobre la libre circulación de las facturas emitidas por los vendedores o proveedores.
- e) La información contenida en las declaraciones de autoliquidación de aportes al sistema de seguridad social integral, en particular la relativa a los afiliados y a sus ingresos base de cotización, ha sido tomada de los registros y soportes contables. La Compañía no se encuentra en mora por concepto de aportes al sistema de seguridad social integral.

- f) Se ha dado cumplimiento a lo establecido en Ley 2195 de 2022 e instrucciones de la Superintendencia de Sociedades según Circular Externa 100-000011 de 2021 y el Capítulo XIII de la Circular Básica Jurídica, en relación con el Programa de Transparencia y Ética Empresarial.

Para dar cumplimiento a lo requerido en los artículos 1.2.1.2. y 1.2.1.5. del Decreto Único Reglamentario 2420 de 2015, en desarrollo de las responsabilidades del Revisor Fiscal contenidas en los numerales 1º) y 3º) del artículo 209 del Código de Comercio, relacionadas con la evaluación de si los actos de los administradores de la Sociedad se ajustan a los estatutos y a las órdenes o instrucciones de la Asamblea de Accionistas y si hay y son adecuadas las medidas de control interno, de conservación y custodia de los bienes de la Sociedad o de terceros que estén en su poder, emití un informe separado de fecha 3 de marzo de 2023.

DocuSigned by:

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Nataly Castro Arango
Revisor Fiscal de Almacenes Éxito S.A.
T.P. 138316 - T
Miembro de KPMG S.A.S.

3 de marzo de 2023

INFORME INDEPENDIENTE DEL REVISOR FISCAL SOBRE EL CUMPLIMIENTO DE LOS NUMERALES 1º) Y 3º) DEL ARTÍCULO 209 DEL CÓDIGO DE COMERCIO

Señores Accionistas
Almacenes Éxito S.A.:

Descripción del Asunto Principal

Como parte de mis funciones como Revisor Fiscal y en cumplimiento de los artículos 1.2.1.2 y 1.2.1.5 del Decreto Único Reglamentario 2420 de 2015, modificados por los artículos 4 y 5 del Decreto 2496 de 2015, respectivamente, debo reportar sobre el cumplimiento de los numerales 1º) y 3º) del artículo 209 del Código de Comercio, detallados como sigue, por parte de la Compañía en adelante “la Sociedad” al 31 de diciembre de 2022, en la forma de una conclusión de seguridad razonable independiente, acerca de que los actos de los administradores han dado cumplimiento a las disposiciones estatutarias y de la Asamblea de Accionistas y que existen adecuadas medidas de control interno, en todos los aspectos materiales, de acuerdo con los criterios indicados en el párrafo denominado Criterios de este informe:

1º) Si los actos de los administradores de la Sociedad se ajustan a los estatutos y a las órdenes o instrucciones de la Asamblea de Accionistas, y

3º) Si hay y son adecuadas las medidas de control interno, de conservación y custodia de los bienes de la Sociedad o de terceros que estén en su poder.

Responsabilidad de la administración

La administración de la Sociedad es responsable por el cumplimiento de los estatutos y de las decisiones de la Asamblea de Accionistas y por diseñar, implementar y mantener medidas adecuadas de control interno, que incluyen el Sistema Integrado de Prevención del Lavado de Activos, y las medidas de conservación y custodia de los bienes de la Sociedad o de terceros que estén en su poder, de acuerdo con lo requerido en el sistema de control interno implementado por la administración.

Responsabilidad del revisor fiscal

Mi responsabilidad consiste en examinar si los actos de los administradores de la Sociedad se ajustan a los estatutos y a las órdenes o instrucciones de la Asamblea de Accionistas, y si hay y son adecuadas las medidas de control interno, de conservación y custodia de los bienes de la Sociedad o de terceros que estén en su poder y reportar al respecto en la forma de una conclusión de seguridad razonable independiente basado en la evidencia obtenida. Efectué mis procedimientos de acuerdo con la Norma Internacional de Trabajos para Atestiguar 3000 (Revisada) aceptada en Colombia (International Standard on Assurance Engagements – ISAE 3000, por sus siglas en inglés, emitida por el Consejo de Normas Internacionales de Auditoría y Aseguramiento -

International Auditing and Assurance Standard Boards – IAASB, por sus siglas en inglés y traducida al español en 2018). Tal norma requiere que planifique y efectúe los procedimientos que considere necesarios para obtener una seguridad razonable acerca de si los actos de los administradores se ajustan a los estatutos y a las decisiones de la Asamblea de Accionistas y sobre si hay y son adecuadas las medidas de control interno, que incluyen el Sistema Integrado de Prevención del Lavado de Activos, y las medidas de conservación y custodia de los bienes de la Sociedad o de terceros que estén en su poder, de acuerdo con lo requerido en el sistema de control interno implementado por la administración, en todos los aspectos materiales.

La Firma de contadores a la cual pertenezco y que me designó como revisor fiscal de la Sociedad, aplica el Estándar Internacional de Control de Calidad No. 1 y, en consecuencia, mantiene un sistema completo de control de calidad que incluye políticas y procedimientos documentados sobre el cumplimiento de los requisitos éticos, las normas profesionales legales y reglamentarias aplicables.

He cumplido con los requerimientos de independencia y ética del Código de Ética para Contadores Profesionales emitido por la Junta de Normas Internacionales de Ética para Contadores – IESBA, por sus siglas en inglés, que se basa en principios fundamentales de integridad, objetividad, competencia profesional y debido cuidado, confidencialidad y comportamiento profesional.

Los procedimientos seleccionados dependen de mi juicio profesional, incluyendo la evaluación del riesgo de que los actos de los administradores no se ajusten a los estatutos y a las decisiones de la Asamblea de Accionistas y que las medidas de control interno, que incluyen el Sistema Integrado de Prevención del Lavado de Activos y las medidas de conservación y custodia de los bienes de la Sociedad o de terceros que estén en su poder no estén adecuadamente diseñadas e implementadas, de acuerdo con lo requerido en el sistema de control interno implementado por la administración.

Este trabajo de aseguramiento razonable incluye la obtención de evidencia al 31 de diciembre de 2022. Los procedimientos incluyen:

- Obtención de una representación escrita de la Administración sobre si los actos de los administradores se ajustan a los estatutos y a las decisiones de la Asamblea de Accionistas y sobre si hay y son adecuadas las medidas de control interno, que incluyen el Sistema Integrado de Prevención del Lavado de Activos, y las medidas de conservación y custodia de los bienes de la Sociedad o de terceros que estén en su poder, de acuerdo con lo requerido en el sistema de control interno implementado por la administración.
- Lectura y verificación del cumplimiento de los estatutos de la Sociedad.
- Obtención de una certificación de la Administración sobre las reuniones de la Asamblea de Accionistas documentadas en las actas, al igual que información sobre las reuniones cuyas actas se encuentran pendientes de registro en el libro de actas, incluido un resumen de los asuntos tratados en dichas reuniones.

- Lectura de las actas de la Asamblea de Accionistas y los estatutos y verificación de si los actos de los administradores se ajustan a los mismos.
- Indagaciones con la Administración sobre cambios o proyectos de modificación a los estatutos de la Sociedad durante el período cubierto y validación de su implementación.
- Evaluación de si hay y son adecuadas las medidas de control interno, que incluyen el Sistema Integrado de Prevención del Lavado de Activos, y las medidas de conservación y custodia de los bienes de la Sociedad o de terceros que estén en su poder, de acuerdo con lo requerido en el sistema de control interno implementado por la administración, lo cual incluye:
 - Pruebas de diseño, implementación y eficacia operativa sobre los controles relevantes de los componentes de control interno sobre el reporte financiero y los elementos establecidos por la Sociedad, tales como: entorno de control, proceso de valoración de riesgo por la entidad, los sistemas de información, actividades de control y seguimiento a los controles.
 - Evaluación del diseño, implementación y eficacia operativa de los controles relevantes, manuales y automáticos, de los procesos clave del negocio relacionados con las cuentas significativas de los estados financieros.
 - Verificación del apropiado cumplimiento de las normas e instructivos sobre el Sistema Integrado de Prevención del Lavado de Activos.
 - Emisión de cartas a la gerencia y a los encargados del gobierno corporativo con mis recomendaciones sobre las deficiencias en el control interno consideradas no significativas que fueron identificadas durante el trabajo de revisoría fiscal.
 - Seguimiento a los asuntos incluidos en las cartas de recomendación que emití con relación a las deficiencias en el control interno consideradas no significativas.

Limitaciones inherentes

Debido a las limitaciones inherentes a cualquier estructura de control interno, es posible que existan controles efectivos a la fecha de mi examen que cambien esa condición en futuros períodos, debido a que mi informe se basa en pruebas selectivas y porque la evaluación del control interno tiene riesgo de volverse inadecuada por cambios en las condiciones o porque el grado de cumplimiento con las políticas y procedimientos puede deteriorarse. Por otra parte, las limitaciones inherentes al control interno incluyen el error humano, fallas por colusión de dos o más personas o, inapropiado sobrepaso de los controles por parte de la administración.



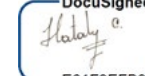
Criterios

Los criterios considerados para la evaluación de los asuntos mencionados en el párrafo Descripción del Asunto principal comprenden: a) los estatutos sociales y las actas de la Asamblea de Accionistas y, b) los componentes del control interno implementados por la Sociedad, tales como el ambiente de control, los procedimientos de evaluación de riesgos, sus sistemas de información y comunicaciones y el monitoreo de los controles por parte de la administración y de los encargados del gobierno corporativo, los cuales están basados en lo establecido en el sistema de control interno implementado por la administración .

Conclusión

Mi conclusión se fundamenta en la evidencia obtenida sobre los asuntos descritos, y está sujeta a las limitaciones inherentes planteadas en este informe. Considero que la evidencia obtenida proporciona una base de aseguramiento razonable para fundamentar la conclusión que expreso a continuación:

En mi opinión, los actos de los administradores se ajustan a los estatutos y a las decisiones de la Asamblea de Accionistas y son adecuadas las medidas de control interno, que incluyen el Sistema Integrado de Prevención del Lavado de Activos, y las medidas de conservación y custodia de los bienes de la Sociedad o de terceros que estén en su poder, en todos los aspectos materiales, de acuerdo con lo requerido en el sistema de control interno implementado por la administración.

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Nataly Castro Arango
Revisor Fiscal de Almacenes Éxito S.A.
T.P. 138316 - T
Miembro de KPMG S.A.S.

03 de marzo de 2023

Almacenes Éxito S.A.
Separate statements of financial position
At December 31, 2022 and 2021
(Amounts expressed in millions of Colombian pesos)

	Notes	At December 31,	
		2022	2021
Current assets			
Cash and cash equivalents	6	1,250,398	2,063,528
Trade receivables and other receivables	7	477,912	434,945
Prepayments	8	17,166	16,353
Related parties	9	59,416	82,068
Inventories, net	10	2,105,200	1,680,108
Financial assets	11	40,154	14,214
Tax assets	23	478,476	386,997
Assets held for sale	40	3,925	8,261
Total current assets		4,432,647	4,686,474
Non-current assets			
Trade receivables and other receivables	7	54,155	56,346
Prepayments	8	3,235	5,939
Receivables with related parties and other non-financial assets	9	35,273	84,212
Financial assets	11	12,728	20,064
Deferred tax assets	23	60,160	165,820
Rights of use asset, net	12	1,587,943	1,609,599
Other intangible assets, net	13	191,204	191,559
Investment property, net	14	83,420	78,586
Property, plant and equipment, net	15	2,059,079	1,984,771
Goodwill	16	1,453,077	1,453,077
Investments accounted for using the equity method	17	4,875,319	4,085,625
Other assets		398	398
Total non-current assets		10,415,991	9,735,996
Total assets		14,848,638	14,422,470
Current liabilities			
Loans and borrowings	19	251,118	136,184
Employee benefits	20	2,692	2,482
Provisions	21	19,870	16,368
Payable to related parties	9	225,234	183,295
Trade payables and other payable	22	4,319,342	4,249,804
Lease liabilities	12	261,824	239,831
Tax liabilities	23	92,846	76,238
Derivative instruments and collections on behalf of third parties	24	123,446	66,817
Other liabilities	25	159,191	166,116
Total current liabilities		5,455,563	5,137,135
Non-current liabilities			
Loans and borrowings	19	539,980	742,084
Employee benefits	20	14,646	17,884
Provisions	21	14,311	10,991
Trade payables and other payable	22	70,374	49,850
Lease liabilities	12	1,525,272	1,580,954
Deferred tax liabilities	25	2,411	2,167
Total non-current liabilities		2,166,994	2,403,930
Total liabilities		7,622,557	7,541,065
Shareholders' equity			
Share capital		4,482	4,482
Reserves		1,541,586	1,306,445
Other equity components		5,680,013	5,570,478
Total shareholders' equity		7,226,081	6,881,405
Total liabilities and shareholders' equity		14,848,638	14,422,470

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

Almacenes Éxito S.A.
Separate statements of profit or loss
For the years ended December 31, 2022 and 2021
(Amounts expressed in millions of Colombian pesos)

	Notes	Year ended December 31,	
		2022	2021
Continuing operations			
Revenue from contracts with customers	27	14,955,727	12,769,382
Cost of sales	10	(11,868,061)	(9,913,824)
Gross profit		3,087,666	2,855,558
Distribution, administrative and selling expenses	28	(2,613,194)	(2,291,051)
Other operating expenses, net	30	(19,358)	(22,528)
Operating profit		455,114	541,979
Financial income	31	166,060	93,679
Financial cost	31	(463,264)	(287,047)
Share of profit in subsidiaries, associates and joint ventures	32	134,236	226,362
Profit before income tax from continuing operations		292,146	574,973
Income tax expense	23	(193,074)	(100,292)
Profit for the year from continuing operations		99,072	474,681
Earnings per share (*)			
Basic and diluted earnings per share (*):			
Basic and diluted earnings per share from continuing operations	33	76.33	365.74

(*) Amounts expressed in Colombian pesos.

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

Almacenes Éxito S.A.
Separate statements of other comprehensive income
For the years ended December 31, 2022 and 2021
(Amounts expressed in millions of Colombian pesos)

	Notes	Year ended December 31,	
		2022	2021
Profit for the year		99,072	474,681
Other comprehensive income			
Components of other comprehensive income that will not be reclassified to profit and loss, net of taxes			
Remeasurement gain on defined benefit plans		1,923	1,812
(Loss) from financial instruments designated at fair value through other comprehensive income		(2,501)	(583)
Total other comprehensive income that will not be reclassified to period results, net of taxes		(578)	1,229
Components of other comprehensive income that may be reclassified to profit and loss, net of taxes			
Gain from translation exchange differences (1)	26	266,865	110,122
Net gain (loss) on hedge of a net investment in a foreign operation	26	2,473	(5,755)
Gain from cash flows hedges	26	4,495	4,909
Total other comprehensive income that may be reclassified to profit or loss, net of taxes		273,833	109,276
Total other comprehensive income		273,255	110,505
Total comprehensive income		372,327	585,186
Earnings per basic share (*):			
Earnings (loss) per basic share from continuing operations	35	286.88	450.88

(*) Amounts expressed in Colombian pesos.

(1) Represents exchange differences arising from the translation of assets, liabilities, equity and results of foreign operations into the reporting currency.

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

Almacenes Éxito S.A.

Separate statements of changes in equity

For the years ended December 31, 2022 and 2021

(Amounts expressed in millions of Colombian pesos)

	Issued share capital	Premium on the issue of shares	Treasury shares	Legal Reserve	Occasional reserve	Reserves for acquisition of treasury shares	Reserve for future dividends distribution	Other reserves	Total reserves	Other comprehensive income	Retained earnings	Other equity components	Total shareholders' equity
	Note 26	Note 26	Note 26	Note 26	Note 26	Note 26	Note 26	Note 26	Note 26	Note 26	Note 26		
Balance at December 31, 2020	4,482	4,843,466	(2,734)	7,857	734,782	22,000	155,412	337,664	1,257,715	(1,350,662)	643,306	808,290	6,203,863
Cash dividend declared (Note 37)	-	-	-	-	(49,609)	-	-	-	(49,609)	-	(123,614)	-	(173,223)
Net income	-	-	-	-	-	-	-	-	-	-	474,681	-	474,681
Other comprehensive income	-	-	-	-	-	-	-	-	-	110,505	-	-	110,505
Appropriation to reserves	-	-	-	-	107,258	-	-	-	107,258	-	(107,258)	-	-
Changes in interest in the ownership of subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	-	-	-	-	(5,506)	(5,506)
Equity impact on the inflationary effect of subsidiary Libertad S.A.	-	-	-	-	-	-	-	-	-	-	-	278,474	278,474
Other net increase (decrease) in shareholders' equity	-	-	-	-	(784)	-	-	(8,135)	(8,919)	-	1,530	-	(7,389)
Balance at December 31, 2021	4,482	4,843,466	(2,734)	7,857	791,647	22,000	155,412	329,529	1,306,445	(1,240,157)	888,645	1,081,258	6,881,405
Cash dividend declared (Note 37)	-	-	-	-	(12,330)	-	-	-	(12,330)	-	(225,348)	-	(237,678)
Net income	-	-	-	-	-	-	-	-	-	-	99,072	-	99,072
Other comprehensive income	-	-	-	-	-	-	-	-	-	273,255	-	-	273,255
Acquisition of treasury shares	-	-	(316,756)	-	-	-	-	-	-	-	-	-	(316,756)
Appropriation to reserves	-	-	-	-	(147,108)	396,442	-	-	249,334	-	(249,334)	-	-
Changes in interest in the ownership of subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	-	-	-	-	(14,072)	(14,072)
Equity impact on the inflationary effect of subsidiary Libertad S.A.	-	-	-	-	-	-	-	-	-	-	-	581,478	581,478
Other net increase (decrease) in shareholders' equity	-	-	-	-	(1,863)	-	-	-	(1,863)	-	2,529	(41,289)	(40,623)
Balance at December 31, 2022	4,482	4,843,466	(319,490)	7,857	630,346	418,442	155,412	329,529	1,541,586	(966,902)	515,564	1,607,375	7,226,081

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

Almacenes Éxito S.A.
Separate statements of cash flows
For the years ended December 31, 2022 and 2021
(Amounts expressed in millions of Colombian pesos)

	Notes	Year ended December 31,	
		2022	2021
Operating activities			
Profit for the year		99,072	474,681
Adjustments to reconcile profit for the year			
Current income tax	24	87,438	71,810
Deferred income tax	24	105,636	28,482
Interest, loans and lease expenses		213,312	153,389
(Gain) from changes in fair value of derivative financial instruments		(13,214)	(26,780)
(Reversal) impairment of receivables, net	7.1	(291)	4,559
Impairment (reversal) losses of inventories, net	10.1	1,107	(7,180)
Impairment of property, plant and equipment, investment properties and right of use asset, net	14; 15; 30	771	6,355
Employee benefit provisions	20	1,790	2,468
Provisions	21	23,367	(9,961)
Depreciation of property, plant and equipment, investment property and right of use asset	10.2; 14; 15	460,122	424,912
Amortization of intangible assets	13	22,498	14,898
Share of profit in associates and joint ventures accounted for using the equity method	32	(134,236)	(226,362)
Loss from the disposal of non-current assets		1,043	15,902
Loss from reclassification of assets held for sale	30	230	-
Interest income		(80)	37,406
Other adjustments from items other than cash	31	(8,442)	(5,510)
Operating income before changes in working capital		860,123	959,069
Increase in trade receivables and other accounts receivable		(34,187)	(169,692)
Decrease in prepayments		1,891	3,372
Decrease (increase) in receivables from related parties		6,696	(17,714)
Increase in inventories		(424,732)	(87,914)
Increase in tax assets		(7,228)	(4,516)
Decrease in employee benefits		(2,694)	(2,655)
Decrease in other provisions		(16,458)	(37,529)
Increase in trade payables and other accounts payable		30,645	279,183
Increase in accounts payable to related parties		41,940	45,061
Increase in tax liabilities		16,608	7,963
(Decrease) increase in other liabilities		(6,680)	(30,244)
Income tax paid		(119,191)	(72,645)
Net cash flows provided by operating activities		346,733	871,739
Investing activities			
Advances to subsidiaries and joint ventures		(70,508)	(34,485)
Acquisition of property, plant and equipment	15.1	(273,269)	(251,586)
Acquisition of investment property	14	(600)	(604)
Acquisition of intangible assets	13	(22,588)	(39,258)
Acquisition of other assets		(7,002)	-
Proceeds of the sale of property, plant and equipment and intangible assets.		4,052	182
Dividends received		256,817	169,238
Net cash flows used in investing activities		(113,098)	(156,513)
Financing activities			
Cash flows provided by changes in interests in subsidiaries that do not result in loss of control		562	22
Proceeds from financial assets		6,095	24,605
Proceeds from derivative instruments and collections on behalf of third parties		52,059	3,087
Proceeds from loans and borrowings	19	764,374	270,000
Repayment of loans and borrowings	19	(863,900)	(356,659)
Payments of interest of loans and borrowings	19	(96,170)	(48,070)
Payments of financial liabilities		-	(6,868)
Lease liabilities paid	12.2	(261,019)	(231,126)
Interest on lease liabilities paid	12.2	(102,872)	(108,495)
Dividends paid	37	(237,580)	(173,174)
Interest received	31	8,442	5,510
Payments share buy-back		(316,756)	-
Net cash flows used in financing activities		(1,046,765)	(621,168)
Net (decrease) increase in cash and cash equivalents		(813,130)	94,058
Cash and cash equivalents at the beginning of period	6	2,063,528	1,969,470
Cash and cash equivalents at the end of period	6	1,250,398	2,063,528

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

Note 1. General information

Almacenes Éxito S.A., (hereinafter the Company) was incorporated pursuant to Colombian laws on March 24, 1950; its headquarter is located Carrera 48 No. 32B Sur - 139, Envigado, Colombia. The life span of the the Company goes to December 31, 2150.

The Company is listed on the Colombia Stock Exchange (BVC) since 1994 and is under the supervision of the Financial Superintendence of Colombia.

The separate financial statements for the year ended December 31, 2022 was authorized for issue in accordance with resolution of directors of Almacenes Éxito S.A. on February 27, 2023 and February 21, 2022, respectively.

The Company's corporate purpose is to:

- Acquire, store, transform and, in general, distribute and sell under any trading figure, including funding thereof, all kinds of goods and products, produced either locally or abroad, on a wholesale or retail basis, physically or online.
- Provide ancillary services, namely grant credit facilities for the acquisition of goods, grant insurance coverage, carry out money transfers and remittances, provide mobile phone services, trade tourist package trips and tickets, repair and maintain furnishings, complete paperwork and energy trade.
- Give or receive in lease trade premises, receive or give, in lease or under occupancy, spaces or points of sale or commerce within its trade establishments intended for the exploitation of businesses of distribution of goods or products, and the provision of ancillary services.
- Incorporate, fund or promote with other individuals or legal entities, enterprises or businesses intended for the manufacturing of objects, goods, articles or the provision of services related with the exploitation of trade establishments.
- Acquire property, build commercial premises intended for establishing stores, malls or other locations suitable for the distribution of goods, without prejudice to the possibility of disposing of entire floors or commercial premises, give them in lease or use them in any convenient manner with a rational exploitation of land approach, as well as invest in property, promote and develop all kinds of real estate projects.
- Invest resources to acquire shares, bonds, trade papers and other securities of free movement in the market to take advantage of tax incentives established by law, as well as make temporary investments in highly liquid securities with a purpose of short-term productive exploitation; enter into firm factoring agreements using its own resources; encumber its chattels or property and enter into financial transactions that enable it to acquire funds or other assets.
- In the capacity as wholesaler and retailer, distribute oil-based liquid fuels through service stations, alcohols, biofuels, natural gas for vehicles and any other fuels used in the automotive, industrial, fluvial, maritime and air transport sectors, of all kinds.

The immediate holding company, or controlling entity of the Company is Companhia Brasileira de Distribuição (hereinafter CBD), which owns 91.52% at December 31, 2022 (at December 31, 2021 - 91.57%) of its ordinary shares. CBD is controlled by Casino, Guichard-Perrachon S.A., which is ultimately controlled by Mr. Jean-Charles Henri Naouri.

The Company is registered in the Camara de Comercio Aburrá Sur.

Note 2. Basis of preparation and other significant accounting policies

The separate financial statements for the years ended December 31, 2022 and 2021 have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and established in Colombia by Law 1314 of 2009, regulated by Decree 2420 of 2015 "Sole Regulatory Decree of Accounting and Financial Information and Information Assurance Standards" and the other amending decrees.

The separate financial statements have been prepared on a historical cost basis, except for derivative financial instruments and financial instruments measured at fair value.

The Company has prepared the financial statements on the basis that it will continue to operate as a going concern.

Note 3. Significant accounting policies

The accompanying separate financial statements at December 31, 2022 have been prepared using the same accounting policies, measurements and bases used to present the separate financial statements for the year ended December 31, 2021.

The significant accounting policies applied in the preparation of the separate financial statements are the following:

Significant accounting estimates, judgments and assumptions

The preparation of the separate financial statements requires Management to make judgments, estimates and assumptions that impact the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the year; however, uncertainty about these assumptions and estimates could result in outcomes that would require material adjustments to the carrying amount of the asset or liability impacted in future periods.

Estimates and relevant assumptions are reviewed regularly, and their results are recorded in the period in which the estimate is reviewed and in future periods affected.

In the process of applying the Company's accounting policies, Management has made the following judgments and estimates, which have the most significant impact on the amounts recognized in the separate financial statements:

- The assumptions used to estimate the fair value of financial instruments (Note 35),
- The estimation of expected credit losses on trade receivables (Note 8),
- The estimation of useful lives of property, plant and equipment, and the amortization period of intangible assets (Notes 13 and 16),

- Assumptions used to assess the recoverable amount of non-financial assets and define the indicators of impairment of non-financial assets (Note 34),
- Assumptions used to assess and determine inventory losses and obsolescence (Note 10),
- The estimation of the discount rate used to measure lease liabilities (Note 14),
- Actuarial assumptions used to estimate retirement benefits and long-term employee benefit liabilities, such as inflation rate, death rate, discount rate, and the possibility of future salary increases. (Note 20),
- The estimation of the probability and amount of loss to recognize provisions related with lawsuits and restructurings (Notes 21 and 36) and,
- The estimation of future taxable profits to recognize deferred tax assets (Note 23).

Such estimations are based on the best information available regarding the facts analyzed at the date of preparation of the separate financial statements, which may give rise to future changes by virtue of potential situations that may occur and would result in prospective recognition thereof; this situation would be treated as a change in accounting estimate in future financial statements.

Classification between current or non-current

The Company presents assets and liabilities in the statement of financial position based on current and non-current classification.

An asset is current when it is realized or will become available in a term not to exceed one year from the reporting date. All other assets are classified as non-current.

A liability is current when it is expected to be settled within twelve months from the end of the reporting periods. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as "non-current" and presented net when appropriate in accordance with the provisions of IAS 12 – *Income Tax*.

Presentation and functional currency

The Company's separate financial statements are presented in millions of Colombian pesos, except otherwise stated, which is also the company functional currency.

Hyperinflation

The Company is stated in a non-hyperinflation economy. Separate financial statements don't include inflation adjustments.

Foreign currency transactions

Transactions in foreign currency are defined as those denominated in a currency other than the functional currency.

Monetary balances at reporting date expressed in a currency other than the functional currency are updated based on the exchange rate at the end of the reporting period, and the resulting exchange differences are recognized as part of the net financial results in the statement of profit or loss. For this purpose, monetary balances are translated into the functional currency using the market spot rate (*).

Non-monetary items are not translated at period closing exchange rate but are measured at historical cost (at the exchange rates on the date of each transaction), except for non-monetary items measured at fair value such as forward and swap financial instruments, which are translated using the exchange rates on the date of measurement of the fair value thereof and by items such as equity instruments whose exchange differences resultants from updating are recognized in the statement of other comprehensive income.

(*) Market Representative Exchange Rate means the average of all market rates negotiated during the closing day (closing exchange rate), equivalent to the international "spot rate", as also defined by IAS 21 - Effects of Changes in Foreign Exchange Rates, as the spot exchange rate in force at the closing of the reporting period.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the separate statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Fair value measurement

The fair value is the price to be received upon the sale of an asset or paid out upon transferring a liability under an orderly transaction carried out by market participants on the date of measurement.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities,
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable,
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Investments in associates and joint arrangements

Subsidiaries are entities under Company's control.

An associate is an entity over which is in a position of exercising significant influence, but not control or joint control, through the power of participating in decisions regarding operating and financial policies of the associate. In general, significant influence is presumed where has an ownership interest higher than 20%.

A joint arrangement is an agreement by means of which two or more parties maintain joint control. Joint arrangements can be joint operations or joint ventures. There is joint control only when decisions on significant activities require the unanimous consent of the parties that share control. Acquisitions of such arrangements are recorded using the principles applicable to business combinations set out by IFRS 3.

A joint venture is a joint arrangement by which the parties having joint control over the arrangement are entitled to the net assets of the arrangement. Such parties are known as participants in a joint venture.

A joint operation is a joint arrangement by means of which the parties having joint control over the arrangement are entitled to the assets and liability-related obligations associated with the arrangement. Such parties are known as joint operators.

Investments in subsidiaries, associates or joint ventures are accounted for using the equity method.

Under the equity method, investment in subsidiaries, associates and joint ventures is recorded at cost upon initial recognition and subsequently the carrying amount of the investment is adjusted to recognize changes in the Company's share of net assets of the subsidiary, associate or joint venture since the acquisition date. Such changes are recognized in profit or loss or in other comprehensive income, as appropriate. The dividends received from an investee are deducted from the carrying value of the investment.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Company. When necessary, adjustments are made to bring the accounting policies in line with those of the Company.

Unrealized gains or losses from transactions between the Company and subsidiaries, associates and joint ventures are eliminated in the proportion interest in such entities upon application of the equity method.

After application of the equity method, the Company determines whether it is necessary to recognize an impairment loss on its investment in its subsidiary, associate or joint venture. At each reporting date, the Company determines whether there is objective evidence that the investment in the subsidiary, associate or joint venture is impaired. If there is such evidence, the Company calculates the amount of impairment as the difference between the recoverable amount of the subsidiary, associate or joint venture and its carrying value, and then recognizes the loss within 'Share of profit of an subsidiary, associate and joint ventures' in the statement of profit or loss.

Transactions involving a loss of significant influence over an subsidiary, associate or joint venture are booked recognizing any ownership interest retained at its fair value, and the gain or loss arising from the transaction is recognized in profit or loss including the relevant items of other comprehensive income.

Regarding transactions not involving a significant loss of control over subsidiaries or a significant loss of influence over associates and joint ventures, the equity method continues being applied and the portion of the gain or loss recognized in other comprehensive income relevant to the decrease in the ownership interest is reclassified to income.

Wherever the share of the losses of an subsidiary, associate or joint venture equals to or exceeds its interest therein, ceases to recognize its share of additional losses. A provision is recognized once the interest comes to zero, only in as much as have incurred legal or constructive liabilities.

Dividends are recognized when the right to receive payment for investments classified as financial instruments arise; dividends received from subsidiaries, associates and joint ventures, that were measure using the equity method, are recognized as a financial income against a decrease in the carrying amount of the investment in these subsidiaries, associates or joint ventures.

Goodwill

Goodwill is recognized as the excess of the fair value of the consideration transferred over the fair value of net assets acquired. After initial recognition, goodwill is carried at cost less any accumulated impairment losses. For purposes of impairment testing, from the date of the acquisition, goodwill is allocated to the cash-generating unit or group of cash-generating units that are expected to benefit from the business combination.

Impairment test is described on impairment of assets note.

Intangible assets

Intangible assets acquired separately are initially recognized at cost.

Internally generated trademarks are not recognized in the statement of financial position.

The cost of intangible assets includes acquisition cost, import duties, indirect not-recoverable taxes and costs directly incurred to bring the asset to the place and use conditions foreseen by the Company's management, after trade discounts and rebates, if any.

Intangible assets having indefinite useful lives are not amortized, but are subject to impairment testing, on an annual basis or whenever there is indication of impairment.

Intangible assets having a defined useful life are amortized using the straight-line method over their estimated useful lives. Estimated useful lives are:

Acquired software	Between 3 and 5 years
ERP-like acquired software	Between 5 and 8 years

Amortization expense and impairment losses are recognized in the statement of profit or loss.

An intangible asset is derecognized upon disposal or when no future economic benefit is expected from its use or disposal. The gain or loss from derecognition of an asset is calculated as the difference between the net proceeds of sale and the carrying amount of the asset and is included in profit or loss.

Useful lives and amortization methods are reviewed at each reporting date and changes, if any, are applied prospectively.

Property, plant and equipment

Property, plant and equipment are initially measured at cost; subsequently they are measured at cost less accumulated depreciation and less accumulated impairment losses.

The cost of property, plant and equipment items includes acquisition cost, import duties, non-recoverable indirect taxes, future dismantling costs, if any, borrowing costs directly attributable to the acquisition of a qualifying asset and the costs directly attributable to place the asset in the site and usage conditions foreseen by the Company's management, net of trade discounts and rebates.

Costs incurred for expansion, modernization and improvements that increase productivity, capacity or efficiency, or an increase in the useful lives thereof, are capitalized. Maintenance and repair costs from which no future benefit is foreseen are expensed.

Land and buildings are deemed to be individual assets, whenever they are material and physical separation is feasible from a technical viewpoint, even if they have been jointly acquired.

Assets under construction are transferred to operating assets upon completion of the construction or commencement of operation and depreciated as of that moment.

The useful life of land is unlimited and consequently it is not depreciated. All other items of property, plant and equipment are depreciated using the straight-line method over their estimated useful lives.

The categories of property, plant and equipment and relevant useful lives are as follows:

Computers	5 years
Vehicles	5 years
Machinery and equipment	From 10 to 20 years
Furniture and office equipment	From 10 to 12 years
Other transportation equipment	From 5 to 20 years
Surveillance team armament	10 years
Other property, plant and equipment	20 years
Installations	From 40 to 50 years
Buildings	From 40 to 50 years
Improvements to third-party properties	40 years or the term of the lease agreement or the remaining of the lease term, whichever is less

Residual values, useful lives and depreciation methods are reviewed at the end of each year, and changes, if any, are applied prospectively.

An item of property, plant and equipment is derecognized (a) upon its sale or (b) whenever no future economic benefit is expected from use or it is disposed. The gain or loss from derecognition of an asset is the difference between the net proceeds of sale and the carrying amount of the asset. Such effect is recognized in profit or loss.

The Company estimate depreciation by components, which means applying individual depreciation to the components of an asset with useful lives that are different from the asset as a whole and has a material cost in relation to the entire fixed asset. Cost is deemed material when the component exceeds 50% of the total asset value, or when it can be individually identified, based on an individual cost of the component of 32 Minimum Legal Monthly Wages in force (SMMLV) (December 31, 2022, the monthly legal minimum wage was \$1,000,000).

Investment property

Investment properties are initially measured at cost, including transaction costs. Following initial recognition, they are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Investment property is depreciated using the straight-line method over the estimated useful life. The useful life estimated to depreciate buildings classified as investment property is from 40 to 50 years.

Transfers are made from investment properties to other assets and from other assets to investment properties only whenever there is a change in the use of the asset. For transfers from investment property to property, plant and equipment or to inventories, the cost taken into consideration for subsequent accounting is the carrying amount on the date the use is changed. If a property, plant and equipment item would become investment property, it will be recorded at carrying amount on the date it changes.

Investment property is derecognized upon its sale or whenever no future economic benefit is expected from the use or disposition thereof.

The gain or loss from derecognition of investment properties is the difference between the net proceeds of sale and the carrying amount of the asset and recognized in profit or loss.

The fair values of investment property are updated on an annual basis for the purposes of disclosure in the financial statements.

Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The criteria for classification as held for sale is regarded as met whenever an asset or group of assets are available for immediate sale, under current condition, and the sale is highly probable to occur. In order for the sale to be highly probable, the management must be committed to a plan to sell the asset (or assets or disposal groups) and the sale is expected within the year following the classification date.

Non-current assets and disposal groups are measured at the lower of carrying amount or fair value, less costs to sell, and are not depreciated or amortized as of the date they are classified as held for sale. Such assets or disposal groups are presented separately as current items in the statement of financial position.

In the statement of profit or loss for the current period and for that of the comparative previous period, revenue, costs and expenses from a discontinued operation are presented separately from those from continuing activities, in one single line item as profit or loss after tax from discontinued operations. An operation is deemed to be discontinued whenever it represents a business line or geographical area of operations that are material to the Company.

Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use asset

The Company recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the

exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

The Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Short term leases and leases of low value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value, such as furniture and office equipment, computers, machinery and equipment and intangibles. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or manufacturing of a qualifying asset, in other words an asset that necessarily takes a substantial period (generally more than six months) to become ready for its intended use or sale, are capitalized as part of the cost of the respective asset. Other borrowing costs are accounted for as expenses during the period they are incurred. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds.

Impairment of non-financial assets

The Company assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

To assess impairment losses, assets are grouped at the level of cash-generating units, and estimation is made of the recoverable amount. The Company has defined each store or each shop as an individual cash-generating unit.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

To determine the fair value less the costs of disposal, a pricing model is used in accordance with the cash-generating unit or groups of cash-generating units, if it can be established.

To assess the value in use:

- Estimation is made of future cash flows of the cash-generating unit over a period not to exceed five years. Cash flows beyond a 3-year period are estimated by applying a steady or declining growth rate.
- The terminal value is estimated by applying a perpetual growth rate, according to the forecasted cash flow at the end of the five-year period.
- The cash flows and terminal value are discounted to present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

Impairment losses are accounted in profit or loss in the amount of the excess of the carrying amount of the asset over recoverable amount thereof; first, reducing the carrying amount of the goodwill allocated to the cash-generating unit or group of cash-generating units; and second, if there would be a remaining balance, by reducing all other assets of the cash-generating unit or group of units as a function of the carrying amount of each asset until such carrying amount reaches zero.

Goodwill is tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods. Intangible assets with indefinite useful lives are tested for impairment annually as at 31 December at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

Inventories

Inventories include goods acquired with the purpose of being sold in the ordinary course of business, goods in process of manufacturing or construction with a view to such sale, and goods to be consumed in the process of production or provision of services.

Inventories in transit are recognized upon receipt of all substantial risks and benefits attached to the asset, according to performance obligations satisfied by the seller, as appropriate under procurement conditions.

Inventories also include real estate property where construction or development of a real estate project has been initiated with a view to future selling.

Inventories purchased are recorded at cost, including warehouse and handling costs, to the extent that these costs are necessary to bring inventories to their present location and condition, that is to say, upon completion of the production process or receipt at the store. Inventories are measured using the first-in-first-out (FIFO) method. Logistics costs and supplier discounts are capitalized as part of the inventories and recognized in cost of goods sold upon sale. Unrealized bonuses are presented as a reduction to inventories at each reporting date.

Inventories are measurable for at the lower of cost or net realizable value.

Net realizable value is the selling price in the ordinary course of business, less the estimated costs to sell.

Inventories are reduced for losses and damages, which are periodically reviewed and evaluated as appropriate.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Financial assets are recognized in the statement of financial position when the Company becomes party to the contractual provisions of the instrument. Financial assets are classified at initial recognition, as subsequently measured at:

- Fair value through profit or loss,
- Amortized cost, and
- Fair value through other comprehensive income.

The classification depends on the business model used to manage financial assets and on the characteristics of the cash flows from the financial asset; such classification is defined upon initial recognition. Financial assets are classified as current assets, if they mature in less than one year; otherwise they are classified as non-current assets.

a. Financial assets measured at fair value through profit or loss

Includes financial assets incurred mainly seeking to manage liquidity through frequent sales of the instrument. These instruments carried in the statement of financial position at fair value with net changes in fair value are recognized in the statement of profit or loss.

b. Financial assets measured at amortized cost

These are non-derivative financial assets with known payments and fixed maturity dates, for which there is an intention and capability of collecting the cash flows from the instrument under a contract.

These Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. The amortized cost is estimated by adding or deducting any premium or discount, revenue or incremental cost, during the remaining life of the instrument. Gains and losses are recognized in the statement of profit or loss when the asset is derecognized, modified or impaired.

c. Financial assets at fair value through other comprehensive income

They represent variable-income investments not held for trading nor deemed an acquirer's contingent consideration in a business combination. Éxito made an irrevocable election at initial recognition for these investments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income.

In case these assets are derecognized, the gains and losses previously recognized in other comprehensive income are reclassified to retained earnings.

d. Loans and accounts receivable

Loans and accounts receivable are financial assets issued or acquired in exchange for cash, goods or services delivered to a debtor.

Accounts receivable from sales transactions are measured at invoice values less allowance for expected credit losses. These accounts receivable are recognized when all risks and benefits have been transferred to a third party and all performance obligations agreed upon with the customer have been met or are in the process of being met. Long-term loans (more than one year of issuance date) are measured at amortized cost using the effective interest method. Expected credit losses are recognized in the statement of profit or loss.

These instruments are included as current assets, except for those maturing after 12 months of the reporting date, which are classified as non-current assets. Accounts receivable expected to be settled over a period of more than 12 months and include payments during the first 12 months, are shown as non-current portion and current portion, respectively.

e. Effective interest method

Is the method to estimate the amortized cost of a financial asset and the allocation of interest revenue during the entire relevant period. The effective interest rate is the rate that exactly discounts the estimated net future cash flows receivable (including all charges received that are an integral part of the effective interest rate, transaction costs and other rewards or discounts), during the expected life of a financial asset.

f. Impairment of financial assets

Given that trade accounts receivable and other accounts receivable are deemed to be short-term receivables of less than 12 months as of the date of issue and do not contain a significant financial component, impairment thereof is estimated from initial recognition and on each presentation date as the expected loss for the following 12 months.

For financial assets other than those measured at fair value, expected losses are measured over the life of the relevant asset. For this purpose, determination is made of whether the credit risk arising from the asset assessed on an individual basis has significantly increased, by comparing the risk of default on the date of presentation against that on the date of initial recognition; if so, an impairment loss is recognized in profit or loss in the amount of the credit losses expected over the following 12 months.

g. Derecognition

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or the Company transfers the contractual rights to receive the cash flows of the financial asset.

Financial liabilities

Financial liabilities are recognized in the statement of financial position when the Company becomes party pursuant to the instrument's terms and conditions. Financial liabilities are classified and subsequently measured at fair value through profit or loss or amortized cost.

a. Financial liabilities measured at fair value through profit or loss.

Financial liabilities are classified under this category when held for trading or when upon initial recognition they are designated at fair value through profit or loss.

b. Financial liabilities measured at amortized cost.

Include loans and bonds issued, which are initially measured at the actual amount received net of transaction costs and subsequently measured at amortized cost using the effective interest method.

c. Effective interest method

The effective interest method is the method to calculate the amortized cost of a financial liability and the allocation of interest expenses over the relevant period. The effective interest rate is the rate that accurately discounts estimated future cash flows payable during the expected life of a financial liability, or, as appropriate, a shorter period whenever a prepayment option is associated to the liability and it is likely to be exercised.

d. Derecognition

A financial liability or a part thereof is derecognized upon settlement or expiry of the contractual obligation.

Interest income

Interest income is recognized using the effective interest method.

Cash and cash equivalents

Include cash at hand and in banks, and highly liquid investments. To be classified as cash equivalents, investments should meet the following criteria:

- (a) Short-term investments, in other words, with terms less than or equal to three months as of acquisition date,
- (b) Highly liquid investments,
- (c) Readily convertible into a known amount of cash, and
- (d) Subject to an insignificant risk of change in value.

In the statement of financial position, overdraft accounts with financial institutions are classified as financial liabilities. In the statement of cash flows such overdrafts are shown as a component of cash and cash equivalents, provided they are an integral part of the Company's cash management system.

Derivative financial instruments

The Company uses derivative financial instruments to mitigate the exposure to variation in interest and exchange rates. These derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value at the end of each reporting period. They are presented as non-current assets or non-current liabilities whenever the remaining maturity of the hedged item exceeds 12 months, otherwise they are presented as current assets and current liabilities.

Gains or losses arising from changes in the fair value of derivatives are recognized as financial income or expenses. Derivative financial instruments that meet hedge accounting requirements are accounted for pursuant to the hedge accounting policy, described below.

Hedge accounting

The Company uses hedge instruments to mitigate the risks associated with changes in the exchange rates related to its investments in foreign operations and in the exchange and interest rates related to its financial liabilities.

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Company actually hedges and the quantity of the hedging instrument that the Company actually uses to hedge that quantity of hedged item.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined).

Hedges are classified and booked as follows, upon compliance with hedge accounting criteria:

- Cash flow hedges include hedges covering the exposure to the variation in cash flows arising from a particular risk associated to a recognized asset or liability or to a foreseen transaction whose occurrence is highly probable and may have an impact on period results.

Derivative instruments are recorded as cash flow hedge, using the following principles:

- The effective portion of the gain or loss on the hedge instrument is recognized directly in stockholders' equity in other comprehensive income. In case the hedge relationship no longer meets the hedging ratio but the objective of management risk remains unchanged, the Company should "rebalance" the hedge ratio to meet the eligibility criteria.
- Any remaining gain or loss on the hedge instrument (including arising from the "rebalancing" of the hedge ratio) is ineffective, and therefore should be recognized in profit or loss.
- Amounts recorded in other comprehensive income are immediately transferred to the profit or loss together with the hedged transaction, for example, when the hedged financial income or expense is recognized or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or liability, the amounts recorded in equity are transferred to the initial carrying amount of the non-financial asset or liability.
- The Company should prospectively discontinue hedge accounting only when the hedge relationship no longer meets the qualification criteria (after taking into account any rebalancing of the hedge relationship).
- If the expected transaction or firm commitment is no longer expected, amounts previously recognized in OCI are transferred to the Statements of Income. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its hedge classification is revoked, gains or losses previously recognized in comprehensive income remain deferred in equity in other comprehensive income until the expected transaction or firm commitment affect profit or loss.

- Fair-value hedges: this category includes hedges covering the exposure to changes in the fair value of recognized assets or liabilities or unrecognized firm commitments.

A change in the fair value of a derivative that is a fair-value hedging instrument is recognized in the statement of profit or loss as financial expense or income. A change in the fair value of a hedged item attributable to the hedged risk is booked as part of the carrying amount of the hedged item and is also recognized in the statement of profit or loss as financial expense or revenue.

Whenever an unrecognized firm commitment is identified as a hedged item, the subsequent accrued change in the fair value of the firm commitment attributable to the hedged risk will be recognized as an asset or liability and the relevant gain or loss will be recognized in profit or loss. For the years ended 2022 and 2021, the Company has not designated any derivative financial instrument as fair value hedge.

- Net investment hedges in a foreign operation: this category includes hedges covering exposure to the variation in exchange rates arising from the translation of foreign businesses to the Company reporting currency.

The effective portion of the changes in the fair value of derivative instruments defined as instruments to hedge a net investment in a foreign operation is recognized in other comprehensive income. The gain or loss related to the non-effective portion is recognized in the statement of profit or loss.

If the Company would dispose of a foreign business, in whole or in part, the accrued value of the effective portion recorded to other comprehensive income is reclassified to the statement of profit or loss.

Employee benefits

a. Post-employment: defined contribution plans

Post-employment benefit plans under which there is an obligation to make certain predetermined contributions to a separate entity (a retirement fund or insurance company) and there is no further legal or constructive obligation to pay additional contributions. Such contributions are recognized as expenses in the statement of profit or loss, in as much as the relevant contributions are enforceable.

b. Post-employment: defined benefit plans

Post-employment defined benefit plans are those under which there is an obligation to directly provide retirement pension payments and retroactive severance pay, pursuant to Colombian legal requirements. The Company has no specific assets intended for guaranteeing the defined benefit plans.

Post-employment defined benefit plan liabilities are estimated for each plan, with the support of independent third parties, applying the projected credit unit's actuarial valuation method, using actuarial assumptions on the date of the period reported, such as discount rate, salary increase expectations, average time of employment, life expectancy and personnel turnover. Actuarial gains or losses are recognized in other comprehensive income. Interest expense on post-employment benefits plans, as well as settlements and plan reductions, are recognized in profit or loss as financial costs.

c. Long-term employee benefits

These are benefits not expected to be fully settled within twelve months following the reporting date regarding which employees render their services. These benefits relate to time-of-service bonuses and similar benefits. The Company has no specific assets intended for guaranteeing long-term benefits.

The liability for long-term benefits is determined separately for each plan with the support of independent third parties, following the actuarial valuation of the forecasted credit unit method, using actuarial assumptions on the date of the reporting period. The cost of current service, cost of past service, cost for interest, actuarial gains and losses, as well as settlements or reductions in the plan are recognized in the statement of profit or loss.

d. Short-term employee benefits

These are benefits expected to be fully settled within twelve months and after the reporting date regarding which the employees render their services. Such benefits include a share of profits payable to employees based on performance. Short-term benefit liabilities are measured based on the best estimation of disbursements required to settle the obligations on the reporting date.

e. Employee termination benefits

The Company pays employees certain benefits upon termination, whenever decision is made to terminate a labor contract earlier than on the ordinary retirement date, or whenever an employee accepts a benefit offer in exchange for termination of his labor contract.

Termination benefits are classified as short-term employee benefits and are recognized in profit or loss when they are expected to be fully settled within 12 months of the end of the reporting period; and are classified as long-term employee benefits when they are expected to be settled after 12 months of the end of the reporting period.

Provisions, contingent assets and liabilities

The Company recognizes a provision for all present obligations resulting from past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and can be reliably estimated.

Provisions are recognized at the present value of the best estimation of cash outflows required to settle the liability. In those cases where there is expectation that the provision will be reimbursed, in full or in part, the reimbursement is recognized as a separate asset only if virtually certain.

The provisions are revised periodically and estimated based on the best information available on the reporting date.

Provisions for onerous contracts are recognized whenever unavoidable costs to be incurred in performing under the contract exceed the economic benefits expected to be received.

A restructuring provision is recognized whenever there is a constructive obligation to conduct a reorganization, when a formal and detailed restructuring plan has been prepared and has raised a valid expectation in those affected and announced prior to the reporting date.

Contingent liabilities are obligations arising from past events, whose existence is subject to the occurrence or non-occurrence of future events not entirely under the control of the Company; or current obligations arising from past events, from which the amount of the obligation cannot be reliably measured or it is not probable that an outflow of resources will be required to settle the obligation. Contingent liabilities are not recognized; instead they are disclosed in notes to the financial statements, unless the possibility of any outflow is remote.

A contingent asset is a possible asset that arises from past events, whose existence will be confirmed only by the occurrence or non-occurrence of future events not entirely under the control of the Company. Contingent assets are not recognized in the statement of financial position unless realization is virtually certain. Instead, they are disclosed in the notes to the financial statements when an inflow of economic benefit is probable.

Taxes

Taxes include:

Current income tax

Current income tax in Colombia is assessed on the taxable net income at the official rate applicable annually on each closing of presentation of financial statements.

The Company permanently evaluates the positions assumed in the tax declarations with respect to situations in which certain interpretations may exist in the tax laws to adequately record the amounts that are expected to be paid.

Current tax assets and liabilities are offset for presentation purposes if there is a legally enforceable right, they have been incurred with the same tax authority and the intention is to settle them at net value or realize the asset and settle the liability simultaneously.

Deferred income tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred income tax arises from temporary differences that give rise to differences between the accounting base and the taxable base of assets and liabilities.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting period.

Deferred income tax assets are only recognized if it is probable that there will be future taxable income against which such deductible temporary differences may be offset. Deferred income tax liabilities are always recognized.

The effects of the deferred tax are recognized in income for the period or in other comprehensive income depending on where the originating profits or losses were booked, and they are shown in the statement of financial position as non-current items.

For presentation purposes, deferred tax assets and liabilities are offset if there is a legally enforceable right and they have been incurred with the same tax authority.

No deferred tax liabilities are carried for the total of the differences that may arise between the accounting balances and the taxable balances of investments in associates and joint ventures, since the exemption contained in IAS 12 is applied when recording such deferred income tax liabilities.

Revenue from contracts with customers

Revenue is measured at the fair value of the consideration received or to be received, net of trade rebates, cash discounts and volume discounts; value added tax is excluded.

Retail sales

Revenue from retail sales is recognized at the point in time when control of the asset is transferred to the customer, upon delivery of the goods.

Revenue from services

Revenue from the provision of services is recognized at a point in time, when the performance obligations agreed upon with the customer have been satisfied.

Lease income

Lease income on investment properties is recognized on a straight-line basis over the term of the agreement.

Other revenue

Royalties are recognized upon fulfilment of the conditions set out in the agreements.

Principal or agent

Contracts to provide goods or services to customers on behalf of other parties are analyzed on the grounds of specific criteria to determine when the Company acts as principal and when as a commission agent.

When another party is involved in providing goods or services to a customer, the Company determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (principal) or to arrange for those goods or services to be provided by the other party (agent).

Earnings per share

Basic earnings per share are calculated by dividing the profit for the period attributable to the Company by the weighted average of common shares outstanding during the year, excluding, if any, common shares acquired by the Company and held as treasury shares. For the purpose of calculating diluted earnings per share, profit or loss attributable to equity holders of the parent entity, and the weighted average number of shares outstanding, are adjusted for the effects of all dilutive potential ordinary shares, if any.

Costs and Expenses

Costs and expenses are recognized in period results upon (a) a decrease in economic benefits, associated with a decrease in assets or an increase in liabilities, and the value thereof may be reliably measured and (b) a disbursement does not generate future economic benefits or when it does not meet the necessary requirements for its registration as an asset.

Note 4. New and modified Standards and Interpretations

Note 4.1. Standards issued during the annual period ended December 31, 2022

During the annual period ended December 31, 2022, the International Accounting Standards Board IASB issued the following new standards and amendments:

- Amendment to IAS 1, applicable as of January 2024 with early adoption permitted,
- Amendment to IFRS 16, applicable as of January 2024.

Amendment to IAS 1 – Non-current Liabilities with Covenants (issued in October 2022)

This amendment, which amends IAS 1– Presentation of Financial Statements, aims to improve the information companies provide on long-term covenanted debt by enabling investors to understand the risk of early repayment of debt.

IAS 1 requires a company to classify debt as non-current only if the company can avoid settling the debt within 12 months of the reporting date. However, a company's ability to do so is often contingent on compliance with covenants. For example, a business might have long-term debt that could be repayable within 12 months if the business defaults in that 12-month period. The amendment requires a company to disclose information about these covenants in the notes to the financial statements.

No material effects are expected from the application of this Amendment.

Amendment to IFRS 16 – Lease Liability in a Sale and Leaseback (issued in September 2022)

This Amendment, which amends IFRS 16 – Leases, guides at the subsequent measurement that a company must apply when it sells an asset and subsequently leases the same asset to the new owner for a period.

IFRS 16 includes requirements on how to account for a sale with leaseback on the date the transaction takes place. However, this standard had not specified how to measure the transaction after that date. These amendments will not change the accounting for leases other than those arising in a sale-leaseback transaction.

No material effects are expected from the application of this Amendment.

Note 4.2. Standards applied as of 2022, issued prior to January 1, 2022

The following standards started to be applied as of January 1, 2022, according to the adoption date set by the IASB:

- Amendment to IAS 1,
- Amendment to IFRS 3,
- Amendment to IFRS 16,
- Amendment to IAS 37,
- Annual Improvements to IFRSs 2018-2020 Cycle

Note 4.3. Standards not yet in force at December 31, 2022, issued prior to January 1, 2022

The following Standards are not yet effective at December 31, 2022:

- IFRS 17 - Insurance Contracts, to be applied as of January 2023 pursuant to the Amendment thereto.
- Amendment to IAS 1, applicable as of January 2023.
- Amendment to IAS 8, applicable as of January 2023.
- Amendment to IAS 12, applicable as of January 2023 with early adoption permitted.

- Amendment to IFRS 17, applicable as of January 2023.

Note 4.4. Standards issued during the annual period ended December 31, 2021

During the annual period ended December 31, 2021, the International Accounting Standards Board IASB issued the following new standards and amendments:

- Amendment to IAS 1, applicable as of January 2023,
- Amendment to IAS 8, applicable as of January 2023,
- Amendment to IFRS 16, applicable as of April 1, 2021,
- Amendment to IAS 12, to be applied as of January 1, 2023 with early adoption permitted,
- Amendment to IFRS 17, applicable as of January 1, 2023.

Amendment to IAS 1 - Disclosure of Accounting Policies and Practice Statement (issued in February 2021)

This Amendment, which amends IAS 1 - Presentation of Financial Statements, guides companies in deciding what information about accounting policies should be disclosed to provide more useful information to investors and other primary users of financial statements. The Amendment requires companies to disclose material information about accounting policies by applying the concept of materiality in their disclosures.

No material effects are expected from the application of this Amendment.

Amendment to IAS 8 - Definition of Accounting Estimates (issued in February 2021)

This Amendment, which amends IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, modified the definition of accounting estimates and included other amendments to assist entities in distinguishing changes in accounting estimates from changes in accounting policies. This distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are applied retrospectively to past transactions and other past events.

No material effects are expected from the application of this Amendment.

Amendment to IFRS 16 – Covid 19 – Related Rent Concessions (issued in March 2021)

The basic principles introduced when the Council first issued the Amendment in May 2020 are not affected. The Amendment is designed to extend by one year the period of application of the Covid-19 related lease concessions to assist lessees in accounting for their leases. Relief was extended to cover lease concessions for lease payments originally due on or before June 30, 2022.

No material effects are expected from the application of this Amendment.

Amendment to IAS 12 - Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (issued in May 2021)

This Amendment, which amends IAS 12 Income Tax, details how companies must recognize deferred tax on transactions such as leases and decommissioning liabilities.

Under certain circumstances, companies are exempt from recognizing deferred taxes when they first recognize assets or liabilities. Previously, there was some uncertainty as to whether the exemption applied to transactions such as leases and decommissioning obligations, transactions for which companies recognize both an asset and a liability.

The amendments clarify that companies are required to recognize deferred tax on such transactions. The purpose of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning liabilities.

It is estimated that there will be no significant impact on the application of this Amendment as the Company adequately accrues the deferred tax on assets and liabilities arising from the application of IFRS 16 on lease transactions.

Amendment to IFRS 17 - Initial Application of IFRS 17 and IFRS 9 – Comparative Information (issued December 2021)

This Amendment, which modifies IFRS 17 - Insurance contracts, applies to entities that apply IFRS 17 and IFRS 9 simultaneously. Considering that these standards have different transition requirements, it is possible that temporary accounting imbalances arise between financial assets and liabilities related with the insurance contract in the comparative information shown in the financial statements upon applying such standards for the first time. The Amendment will help insurance companies to avoid such imbalances, and, consequently, will improve the usefulness of comparative information for investors. For this purpose, it provides insurance companies with an option to present comparative information regarding financial assets.

No material effects are expected from the application of this Amendment given that the Company do not apply IFRS 17.

Note 4.5. Standards applied as of 2021, issued prior to January 1, 2021

The following standards started to be applied as of January 1, 2021 according to the adoption date set by the IASB:

- Amendment to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - IBOR Reform and its Effects on Financial Reporting - Phase 2 (issued in August 2020).

No material effects resulted from application of this Amendment.

Note 5. Relevant facts

Receipt of claim indemnity monies.

On January 10, 2022 the insurance company that was in charge of covering the losses arising from damages caused by the acts carried out against the infrastructure of Éxito stores in different cities of the country paid \$1,494 as part of the compensation for damages.

Capitalización cuenta por cobrar a la subsidiaria Libertad S.A.

On January 31, 2022, the Company capitalized the outstanding balance of the loan carried with subsidiary Libertad S.A. (Note 9), through subsidiary Onper Investments 2015 S.L.

Extraordinary meeting of the General Meeting of Shareholders

Éxito's General Meeting of Shareholders was held on March 24, 2022, to resolve on the approval of a share payback process and its respective regulation.

Share payback process

On June 9, 2022, the process that have been approved by Éxito's General Meeting of Shareholders finished. As of result of that, Éxito payback 14.982.863 owned shares.

Extraordinary meeting of the General Meeting of Shareholders

Éxito's General Meeting of Shareholders was held on October 25, 2022, to resolve on the approval of a share's split process.

The split process is as follow:

- On September 30, 2022 Éxito's subscribed and paid-in capital is the amounts \$4,482,401,510 (*) represented in 448.240.151 common shares with a nominal value of \$10 (*) each; the number of outstanding shares is 432.621.453 and the number of treasuries shares reacquired is 15.618.698; the authorized capital is represented in 530,000,000 common shares.
- The share's split for subscribed and paid-in capital was made in a proportion of 3x1, increasing the common shares to 1.344.720.453 and decreasing its nominal value to \$3.3333 (*).

The new shares subscribed, and paid-in capital is calculated as follows: actual shares * proportion of share's split:
 $448.240.151 \times 3 = 1.344.720.453$.

The new nominal value for each share is calculated in two ways:

- Subscribed and paid-in capital / number of shares:
 $\$4,482,401,510 (*) / 1.344.720.453 = \$3.3333 (*)$ per share.
 - Last nominal value / proportion of share's split:
 $\$10 (*) / 3 = \$3.3333 (*)$ per share.
- As of split result, the number of outstanding shares is 1.297.864.359 and the number of treasuries share reacquired is 46.856.094.
 - Finally, authorized capital share is also subject to split.

The new shares authorized in capital is calculated as follows: actual shares * proportion of share's split:
 $530.000.000 \times 3 = 1.590.000.000$.

Note 6. Cash and cash equivalents

The balance of cash and cash equivalents is shown below:

	Year ended December 31,	
	2022	2022
Cash at banks and on hand	1,232,403	1,995,563
Fiduciary rights – money market like	16,856	67,965
Restricted funds (1)	1,139	-
Total cash and cash equivalents	1,250,398	2,063,528

(1) Represents the Collective Investment Fund with Fiduciaria Corficolombiana created by the Parent to guarantee the payment of the lease fee on the Éxito Poblado and Cedi Avenida 68 properties. These funds must be maintained until March 2027, when the guaranteed contracts expire.

At December 31, 2022, the Company recognized interest income from cash at banks and on hand and cash equivalents in the amount of \$8,442 (December 31, 2021 - \$5,510), which were recognized as financial income as detailed in Note 31.

At December 31, 2022 and 2021, cash and cash equivalents were not restricted or levied in any way as to limit availability thereof, except for mentioned in (1) number above.

Note 7. Trade receivables and other accounts receivable

The balance of trade receivables and other accounts receivable is shown below:

	Year ended December 31,	
	2022	2021
Trade receivables (Note 7.1)	245,782	216,642
Other accounts receivable (Note 7.2)	286,285	274,649
Total trade receivables and other accounts receivable	532,067	491,291
Current	477,912	434,945
Non-Current	54,155	56,346

Note 7.1. Trade receivables

The balance of trade receivables is shown below:

	Year ended December 31,	
	2022	2021
Trade accounts	156,582	138,213
Sale of real-estate project inventories	66,831	67,434
Rentals and dealers	13,322	11,442
Net investment in leases	6,270	-
Employee funds and lending	7,870	6,838
Allowance for expected credit loss	(5,093)	(7,285)
Trade receivables	245,782	216,642

The allowance for expected credit loss is recognized as expense in profit or loss. During the year ended December 31, 2022, the net effect of the allowance for expected credit loss on the statement of profit or loss represents expense of \$291 (\$4,559 - expense for the year ended December 31, 2021).

The movement in the allowance for expected credit losses during the periods was as follows:

Balance at December 31, 2020	10,081
Additions	22,732
Reversal of allowance for expected credit losses	(18,173)
Write-off of receivables	(7,355)
Balance at December 31, 2021	7,285
Additions	15,516
Reversal of allowance for expected credit losses	(15,807)
Write-off of receivables	(1,901)
Balance at December 31, 2022	5,093

An analysis is performed at each reporting date to estimate expected credit losses. The allowance rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., product type and customer rating). The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events and current conditions. Generally, trade receivables and other accounts receivable are written-off if past due for more than one year.

Note 7.2. Other accounts receivable

	Year ended December 31,	
	2022	2021
Recoverable taxes	103,336	31,146
Other loans or advances to employees	82,525	76,431
Business agreements	54,466	81,636
Money transfer services	20,370	63,811

Tax claims	-	1,360
Other	8,836	11,951
Total other accounts receivable	286,285	274,649

Note 7.3. Trade receivables and other accounts receivable by age

The detail by age of trade accounts receivable and other accounts receivable, without considering impairment, is shown below:

Period	Total	Less than 30 days	From 31 to 60 days	From 61 to 90 days	More than 90 days
December 31, 2022	537,160		478,811	3,466	682
December 31, 2021	498,576		438,852	2,632	267

Note 8. Prepayments

	Year ended December 31,	
	2022	2021
Insurance	15,247	14,384
Lease payments made before commencement date	4,697	6,277
Other prepayments	457	1,493
Maintenance	-	138
Total prepayments	20,401	22,292
Current	17,166	16,353
Non-current	3,235	5,939

Note 9. Related parties

Note 9.1. Significant agreements

Transactions with related parties refer mainly to transactions between the Company and its subsidiaries, associates, joint ventures and other related entities and were substantially accounted for in accordance with the prices, terms and conditions agreed upon between the parties. The agreements are detailed as follows:

- Casino Group:
 - Casino international, International Retail Trade and Services IG and Distribution Casino France: Commercial agreement to regulate the terms pursuant to which Casino International renders international retail and trade services to the Company (e.g., negotiation of commercial services with international suppliers, prospecting global suppliers and intermediating the purchases provided by Casino, purchase and importation of products and reimbursement for promotions realized in stores).
 - Insurance agreement for the intermediation of renewals of certain insurance policies
 - Euris, Casino Services y Casino Guichard Perrachon S.A: Cost reimbursement agreements to encourage the exchange of knowledge and experience in certain areas of operation, as well as the reimbursement of expenses related to expatriates.
- Greenyellow Energia de Colombia S.A.S.: Service agreement will provide oversight and monitoring services relating to energy efficiency.
- Puntos Colombia S.A.S.: Agreement providing for the terms and conditions for the redemption of points collected under their loyalty program, among other services.
- Compañía de financiamiento Tuya S.A.: Partnership agreements to promote (i) the sale of products and services offered by the Company through credit cards, (ii) the use of these credit cards in and out of the Company stores and (iii) the use of other financial services agreed between the parties inside the Company stores. The Company also entered into an agreement for the reimbursement of expenses, among other matters.
- Companhia Brasileira de Distribuição (CBD): Cost reimbursement agreement related to the sharing of know-how and experience of CBD on certain areas (strategy, finance, human resources, legal, communication and investors relations). The Company also entered into an agreement for the reimbursement of expenses related to the relocation of employees among the Company.
- Almacenes Éxito Inversiones S.A.S. Acquisition agreement of telephone plans, provision of administrative services.
- Logística Transporte y Servicios Asociados S.A.S. Agreement to receive transportation services, contracts for the sale of merchandise, administrative services and reimbursement of expenses.
- Marketplace Internacional Éxito S.L.: Sales contracts through the marketplace.
- Transacciones Energéticas S.A.S. E.S.P. Contracts for the provision of energy marketing services.
- Éxito Industrias S.A.S. Contracts for the lease of real estate and provision of services.

- Éxito Viajes y Turismo S.A.S. Contract for reimbursement of expenses and administrative services.
- Patrimonio Autónomo Viva Malls. Real estate lease, administrative services and reimbursement of expenses.

Note 9.2. Transactions with related parties

Transactions with related parties relate to revenue from retail sales and other services, as well as to costs and expenses related to risk management and technical assistance support, purchase of goods and services received.

The amount of revenue, costs and expenses arising from transactions with related parties is as follows:

	Revenue	
	Year ended December 31, 2022	2021
Joint ventures (1)	71,845	132,109
Subsidiaries (2)	67,440	48,629
Casino Group companies (3)	2,997	7,265
Total revenue	142,282	188,003
	Costs and expenses	
	Year ended December 31, 2022	2021
Subsidiaries (2)	398,061	365,678
Joint ventures (1)	109,194	88,713
Casino Group companies (3)	58,853	58,136
Controlling entity (4)	12,248	9,777
Members of the Board	2,666	1,574
Total cost and expenses	581,022	523,878

(1) The amount of revenue and costs and expenses with each joint venture is as follows:

Revenue:

Description	Compañía de Financiamiento Tuya S.A.		Puntos Colombia S.A.S.	
	2022	2021	2022	2021
Commercial activation recovery	53,398	52,047	-	-
Yield on bonus, coupons and energy	11,638	14,224	-	-
Lease of real estate	4,520	4,886	-	-
Services	1,392	923	897	980
Corporate collaboration agreement	-	59,049	-	-
Total revenue	70,948	131,129	897	980

Costs and expenses:

Description	Compañía de Financiamiento Tuya S.A.		Puntos Colombia S.A.S.	
	2022	2021	2022	2021
Commissions on means of payment	10,326	5,650	-	-
Cost of customer loyalty program	-	-	98,868	83,063
Total costs and expenses	10,326	5,650	98,868	83,063

(2) Revenue relates to the provision of administration services to Éxito Industria S.A.S., to Almacenes Éxito Inversiones S.A.S., to Transacciones Energéticas S.A.S. E.S.P., to Logística, Transporte y Servicios Asociados S.A.S. and to Patrimonios Autónomos (stand-alone trust funds); and to the lease of property to Patrimonios Autónomos and to Éxito Viajes y Turismo S.A.S.

Costs and expenses mainly refer to the purchase of goods for trading from Éxito Industrias S.A.S.; transportation services provided by Logística, Transporte y Servicios Asociados S.A.S.; leases and real estate management activities with Patrimonios Autónomos; purchase of corporate plans from Almacenes Éxito Inversiones S.A.S.; and services received, purchase of goods and reimbursements with other subsidiaries.

The amount of revenue with each subsidiary is as follows:

	Year ended December 31,	
	2022	2021
Patrimonios Autónomos	37,972	18,111
Almacenes Éxito Inversiones S.A.S. (a)	18,882	17,990
Éxito Industrias S.A.S. (b)	4,130	424
Logística, Transporte y Servicios Asociados S.A.S.	4,040	2,458
Éxito Viajes y Turismo S.A.S. (c)	1,580	1,198
Libertad S.A.	699	8,047
Transacciones Energéticas S.A.S. E.S.P.	137	396
Depósitos y Soluciones Logísticas S.A.S.	-	5
Total	67,440	48,629

- (a) Includes \$17,362 of VMI sales of telephony plans (December 31, 2021 - \$16,708) and \$1,520 relating to other operating transactions (December 31, 2021 - \$1,282).
- (b) Includes \$296 lease revenue (December 31, 2021 - \$-), \$294 from interest on sublease contracts (December 31, 2021 - \$-) and \$3,540 relating to other operating transactions (December 31, 2021 - \$424).
- (c) Includes \$771 lease revenue (December 31, 2021 - \$744) and \$809 relating to other operating transactions (December 31, 2021 - \$454).

The amount of costs and expenses with each subsidiary is as follows:

	Year ended December 31,	
	2022	2021
Logística, Transporte y Servicios Asociados S.A.S.	170,024	149,262
Éxito Industrias S.A.S. (a)	102,460	104,974
Patrimonios Autónomos	105,419	91,091
Almacenes Éxito Inversiones S.A.S. (b)	16,708	16,124
Marketplace Internacional Éxito y Servicios S.A.S.	2,560	3,266
Transacciones Energéticas S.A.S. E.S.P.	734	-
Éxito Viajes y Turismo S.A.S.	152	139
Spice Investment Mercosur S.A.	4	2
Depósitos y Soluciones Logísticas S.A.S.	-	820
Total costos y gastos	398,061	365,678

- (a) Includes \$2,846 of amortization of use rights and lease liability interest (December 31, 2021 - \$15,866), early termination of lease contracts of \$2,632 (December 31, 2021 - \$-) and \$96,982 for other operating transactions (December 31, 2021 - \$89,108).
- (b) Includes \$16,147 of cost of VMI sales of telephone plans (December 31, 2021 - \$15,520) and \$561 for other operating transactions (December 31, 2021 - \$604).
- (3) Revenue mainly relates to the provision of services and success fees from suppliers. Costs and expenses accrued mainly arise from energy optimization services received and intermediation in the import of goods, procurement of goods and consultancy services.

Revenue by each company is as follows:

	Year ended December 31,	
	2022	2021
Casino Internacional (a)	1,175	6,783
Relevan C Colombia S.A.S.	701	-
Greenyellow Energía de Colombia S.A.S.	587	434
Distribution Casino France	534	48
Total revenue	2,997	7,265

- (a) Mainly decrease corresponds to IRTS discounts that were previously granted to the company and are currently received directly from the supplier.

Costs and expenses by each company are as follows:

	Year ended December 31,	
	2022	2021
Greenyellow Energía de Colombia S.A.S.	39,500	35,232
Casino Guichard Perrachon S.A.	14,228	12,975
Distribution Casino France	4,288	3,685
Relevan C Colombia S.A.S.	595	-
Casino Services	229	2,778
Cdiscount S.A.	13	43
Euris	-	1,742
International Retail and Trade Services IG.	-	1,681
Total costs and expenses	58,853	58,136

- (4) Costs and expenses related to consulting services provided by Companhia Brasileira de Distribuição – CBD.

Note 9.3. Other information on related party transactions

Financial assets measured at fair value through other comprehensive income

The Company has 659,383 shares in Cnova NV in the amount of \$9,222 (December 31, 2021 - \$9,222)

Financial assets measured at amortized cost

According to Note 11, the Company has investment in bonds issued by Compañía de Financiamiento Tuya S.A., which has the intention and capability of holding to obtain contractual cash flows until maturity in amount of \$- (December 31, 2021 - \$5,046). The interests on these bonds are at market terms and conditions.

Note 9.4. Receivable from related parties

	Receivable		Other non-financial assets	
	Year ended December 31, 2022	Year ended December 31, 2021	Year ended December 31, 2022	Year ended December 31, 2021
Joint ventures (1)	41,464	47,536	34,993	24,495
Subsidiaries (2)	14,503	87,068	280	-
Casino Group companies (3)	3,161	6,893	-	-
Controlling entity (4)	288	288	-	-
Total	59,416	141,785	35,273	24,495
Current	59,416	82,068	-	-
Non-Current	-	59,717	35,273	24,495

- (1) Balances relate to the following joint ventures and the following detail:

- The balance of receivables by joint ventures is shown below:

Description	Compañía de Financiamiento Tuya S.A.		Puntos Colombia S.A.S.		Sara ANV S.A.	
	Year ended December 31, 2022	Year ended December 31, 2021	Year ended December 31, 2022	Year ended December 31, 2021	Year ended December 31, 2022	Year ended December 31, 2021
Reimbursement of shared expenses, collection of coupons and other	5,298	4,327	-	-	-	-
Corporate collaboration agreement (a)	-	10,494	-	-	-	-
Redemption of points	-	-	33,469	30,356	-	-
Other services	2,329	2,229	-	130	368	-
Total receivable	7,627	17,050	33,469	30,486	368	-

- (a) The decrease in the results of Compañía de Financiamiento Tuya S.A. it has generated a loss on this joint venture, recognized using the equity method and, additionally, it has not income from the participation in the collaboration agreement.

- Other non-financial assets:

The balance of \$34,993 at December 31, 2022 and \$24,495 at December 31, 2021, relates to payments made to Compañía de Financiamiento Tuya S.A. for the future subscription of shares. Given that prior to December 31, 2022 and December 31, 2021, Compañía de Financiamiento Tuya S.A. had not received authorization from the Colombian Financial Superintendence to register a capital increase, amounts disbursed were not recognized as an investment in such company. During the year ended December 31, 2022, Compañía de Financiamiento Tuya S.A. effectively subscribed and issued shares for the amount of \$44,491 representing an increase in such investment.

(2) The balance of receivables by each subsidiary and by each concept:

- The balance of receivables by each subsidiary is as follows:

	Year ended December 31,	
	2022	2021
Libertad S.A.	9,148	68,695
Patrimonios Autónomos	3,117	17,008
Éxito Industrias S.A.S.	525	255
Almacenes Éxito Inversiones S.A.S.	477	406
Logística, Transporte y Servicios Asociados S.A.S.	830	357
Éxito Viajes y Turismo S.A.S.	317	252
Transacciones Energéticas S.A.S. E.S.P.	39	1
Marketplace Internacional Exito y Servicios S.A.S.	49	15
Devoto Hermanos S.A.	1	1
Marketplace Internacional Éxito S.L.	-	78
Total accounts receivable from subsidiaries	14,503	87,068

(a) The decrease is because assignment of loan rights to Onper Investments 2015 S.L. in the amount of \$61,103, in order to capitalize said amount in Libertad S.A. At December 31, 2021, included loans granted in amount of \$61,116.

- The balance of accounts receivable from subsidiaries is made as follows

	Year ended December 31,	
	2022	2021
Strategic direction services	9,148	7,579
Sale of fixed assets	1,698	-
Administrative services	644	2,152
Charge for dividends declared	496	14,870
Reimbursement of expenses	419	1,210
Sale of goods	79	135
Loans granted	-	61,116
Other services	2,019	6
Total accounts receivable from subsidiaries	14,503	87,068

(3) Receivable from Casino Group companies represents reimbursement for payments to expats, supplier agreements and energy efficiency solutions.

	Year ended December 31,	
	2022	2021
Casino Internacional	2,730	6,729
Distribution Casino France	232	49
Relevan C Colombia S.A.S.	192	-
Casino Services	7	7
Greenyellow Energía de Colombia S.A.S.	-	108
Total Casino Group companies	3,161	6,893

(4) Represents the balance of personnel expenses receivable from Companhia Brasileira de Distribuição - CBD.

Note 9.5. Payables to related parties

The balance of payables to related parties is shown below:

	Year ended December 31,	
	2022	2021
Subsidiaries (1)	158,398	128,576
Joint ventures (2)	62,673	42,495
Casino Group companies (3)	4,120	12,224
Controlling entity (4)	-	-
Members of the Board	43	-
Total	225,234	183,295

(1) The balance of accounts payable to related parties and by concept are as follows:

- The balance of payables by each subsidiary is as follows:

	Year ended December 31,	
	2022	2021
Éxito Industrias S.A.	139,205	110,966
Logística, Transporte y Servicios Asociados S.A.S.	8,993	10,066
Patrimonios Autónomos	3,855	2,461
Almacenes Éxito Inversiones S.A.S.	3,241	2,778
Transacciones Energéticas S.A.S. E.S.P.	1,874	-
Éxito Viajes y Turismo S.A.S.	854	161
Marketplace Internacional Exito y Servicios S.A.S.	240	2,023
Devoto Hermanos S.A.	136	-
Depósitos y Soluciones Logísticas S.A.S.	-	121
Total accounts payable to subsidiaries	158,398	128,576

- The balance payable to subsidiaries relates to:

	Year ended December 31,	
	2022	2021
Purchase of assets and inventories	137,119	110,552
Transportation service	6,048	10,066
Lease of property	3,428	3,083
Mobile recharge collection service	3,236	2,778
Energy service	1,874	-
Purchase of tourist trips	853	44
Liabilities for capital contributions	-	2,024
Other services received	5,840	29
Total accounts payable to subsidiaries	158,398	128,576

(2) Mainly represents the balance outstanding in favor of Puntos Colombia S.A.S. arising from points (accumulations) issued for \$62,304 (December 31, 2021 - \$42,495)

(3) Payables to Casino Group companies such as energy efficiency solutions received, intermediation in the import of goods, and consulting and technical assistance services.

	Year ended December 31,	
	2022	2021
Casino Guichard Perrachon S.A.	2,578	847
Distribution Casino France	934	224
Relevan C Colombia S.A.S.	508	-
Casino Services	100	1,637
Greenyellow Energía de Colombia S.A.S.	-	9,352
International Retail and Trade Services IG	-	164
Total Casino Group companies	4,120	12,224

Note 9.6. Lease liabilities with related parties

The balance of lease liabilities with related parties is as follows:

	Year ended December 31,	
	2022	2021
Subsidiaries	452,556	506,195
Total lease liabilities	452,556	506,195
Current	43,778	43,454
Non-Current	408,778	462,741

The balance of lease liabilities relates to lease contracts entered with the following subsidiaries:

	Year ended December 31,	
	2022	2021
Patrimonios Autónomos (Stand-alone trust funds)	452,556	464,238
Éxito Industrias S.A.S.	-	41,957
Total lease liabilities	452,556	506,195

Note 9.7. Other financial liabilities with related parties

	Year ended December 31,	
	2022	2021
Joint ventures (1)	26,167	17,441
Subsidiaries (2)	17,669	12,279
Total	43,836	29,720

(1) Mainly represents collections received from customers related to the Tarjeta Éxito cards owned by Tuya (Note 24).

(2) Corresponde al dinero recaudado a las subsidiarias dentro del programa de tesorería unificada "in house cash" (Note 24).

Note 9.8. Key management personnel compensation

Transactions between the Company and key management personnel, including legal representatives and/or administrators, mainly relate to labor agreements executed by and between the parties.

Compensation of key management personnel is as follows:

	Year ended December 31,	
	2022	2021
Short-term employee benefits	48,890	54,817
Post-employment benefits	1,895	2,108
Total key management personnel compensation	50,785	56,925

Note 10. Inventories, net and cost of sales

Note 10.1. Inventories, net

	Year ended December 31,	
	2022	2021
Inventories	2,009,547	1,572,556
Inventories in transit	58,754	59,002
Raw materials	29,037	10,501
Materials, spares, accessories and consumable packaging	9,537	4,162
Production in process	5,081	25,230
Real estate project inventories	3,213	17,519
Provisión por obsolescencia de inventarios y daños (1)	(9,969)	(8,862)
Total inventories	2,105,200	1,680,108

(1) The movement of the allowance for losses on inventory obsolescence and damages during the reporting periods is shown below:

Balance at December 31, 2020	16,042
Allowance reversal (Note 10.2)	(7,180)
Balance at December 31, 2021	8,862
Allowance recognized during the period (Note 10.2)	1,107
Balance at December 31, 2022	9,969

At December 31, 2022, and December 31, 2021, there are no restrictions or liens on the sale of inventories. Regarding Montevideo real estate Project, at the end of 2021 a purchase-sale promise document has been executed, the promise has been fulfilled in 2022.

Note 10.2. Cost of sales

The following is the information related with the cost of sales, allowance for losses on inventory obsolescence and damages, and allowance reversal on inventories:

	Year ended December 31,	
	2022	2021
Cost of goods sold (1)	13,209,218	10,965,765
Trade discounts and purchase rebates	(1,949,214)	(1,590,497)
Logistics costs (2)	469,465	415,298

Damage and loss	137,485	130,438
Allowance (Reversal) for inventory losses, net	1,107	(7,180)
Total cost of sales	11,868,061	9,913,824

(1) At December 31, 2022 includes \$56,762 of depreciation and amortization cost (December 31, 2021 - \$48,318).

(2) At December 31, 2022 includes \$263,552 of employee benefits (December 31, 2021 - \$238,650).

Note 11. Financial assets

The balance of financial assets is shown below:

	Year ended December 31,	
	2022	2021
Derivative financial instruments (1)	27,300	11,057
Derivative financial instruments designated as hedge instruments (2)	14,480	6,023
Financial assets measured at fair value through other comprehensive income	10,676	10,676
Financial assets measured at fair value through profit or loss	426	1,476
Financial assets measured at amortized cost (3)	-	5,046
Total financial assets	52,882	34,278
Current	40,154	14,214
Non-current	12,728	20,064

(1) Relates to forward and swap contracts used to hedge the variation in the exchange rates and interest rates of financial liabilities in foreign currency. The fair value of these instruments is estimated based on valuation models who use variables other than quoted prices, directly or indirectly observable for financial assets or liabilities.

The detail of maturities of these instruments at December 31, 2022 was as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	-	24,382	2,918	-	-	27,300

The detail of maturities of these instruments at December 31, 2021 was as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	3,016	4,587	3,454	-	-	11,057

(2) Derivative instruments designated as hedging instrument relates to interest and exchange rate swaps. The fair value of these instruments is determined based on valuation models.

At December 31, 2022, relates to the following transactions:

	Nature of risk hedged	Hedged item	Range of rates for hedged item	Range of rates for hedge instruments	Fair value
Swap	Interest rate	Loans and borrowings	IBR 3M e IBR 1M	9.0120% y 3.9%	14,480

The detail of maturities of these hedge instruments at December 31, 2022 is shown below:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Swap	-	3,980	4,725	4,149	1,626	14,480

At December 31, 2021, relates to the following transactions:

	Nature of risk hedged	Hedged item	Range of rates for hedged item	Range of rates for hedge instruments	Fair value
Swap	Interest rate	Loans and borrowings	IBR 3M	2.0545% - 2.145%	6,023

The detail of maturities of these hedge instruments at December 31, 2021 is shown below:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Swap	(262)	-	483	2,470	3,332	6,023

(3) Financial assets measured at amortized cost represented to investment in bonds issued by Tuya and for which the Company has the intention and capability of holding to obtain contractual cash flows until maturity. These investments are part of Tarjeta Éxito corporate collaboration agreement. At December 31, 2022 the nominal value amounts to \$- (December 31, 2021 - \$5,000) which was used to capitalize this joint business (Note 9); this bonds had a maturity ranges from 1 to 10 years and yields CPI + 6%.

At December 31, 2022 and 2021, there are no restrictions or liens on financial assets that restrict their sale, except for the investment in bonds of Compañía de Financiamiento Tuya S.A. which were issued as part of the business collaboration agreement on Tarjeta Éxito, mentioned in (3) above.

None of the assets were impaired at December 31, 2022 and 2021.

Note 12. Leases

Note 12.1 Right of use asset, net

	Year ended December 31,	
	2022	2021
Right of use asset	2,929,731	2,798,618
Accumulated depreciation	(1,341,788)	(1,189,019)
Total right of use asset, net	1,587,943	1,609,599

The movement of right of use asset and depreciation thereof, during the reporting periods, is shown below:

Cost

Balance at December 31, 2020	2,561,463
Increase from new contracts	83,946
Remeasurements from existing contracts (1)	198,626
Derecognition, reversal and disposal (2)	(45,417)
Balance at December 31, 2021	2,798,618
Increase from new contracts	155,395
Increase from new contracts, prepaid	7,002
Remeasurements from existing contracts (1)	160,943
Derecognition, reversal and disposal (2)	(192,227)
Balance at December 31, 2022	2,929,731

Accumulated depreciation

Balance at December 31, 2020	991,302
Depreciation	228,433
Derecognition and disposal (2)	(30,716)
Balance at December 31, 2021	1,189,019
Depreciation	251,999
Derecognition and disposal (2)	(99,230)
Balance at December 31, 2022	1,341,788

(1) Mainly results from the extension of contract terms, indexation or lease modifications.

(2) Mainly results from the early termination of lease contracts.

The cost of right of use asset by class of underlying asset is shown below:

	Year ended December 31,	
	2022	2021
Buildings	2,921,013	2,790,021
Equipment	6,163	6,163
Vehicles	2,555	2,434
Total	2,929,731	2,798,618

Accumulated of depreciation of right of use assets by class of underlying asset is shown below:

	Year ended December 31,	
	2022	2021
Buildings	1,337,094	1,185,669
Equipment	3,656	2,198
Vehicles	1,038	1,152
Total	1,341,788	1,189,019

The Company is not exposed to the future cash outflows for extension options and termination options. Additionally, there are no residual value guarantees, and there are no restrictions or covenants related to these leases.

As at December 31, 2022, the average remaining term of lease contracts is 12.39 years (11.80 years as at December 31, 2021), which is also the average remaining period over which the right of use asset is depreciated.

Note 12.2 Lease liability

	Year ended December 31,	
	2022	2021
Lease liabilities	1,787,096	1,820,785
Current	261,824	239,831
Non-current	1,525,272	1,580,954

Balance at December 31, 2020	1,784,966
Additions	83,946
Accrued interest	107,227
Remeasurements	198,626
Terminations	(14,359)
Payments of lease liabilities including interests	(339,621)
Balance at December 31, 2021	1,820,785
Additions	155,395
Accrued interest	104,786
Remeasurements	161,549
Terminations	(91,528)
Payments of lease liabilities including interests	(363,891)
Balance at December 31, 2022	1,787,096

Below are the future lease liability payments at December 31, 2022:

Up to one year	310,811
From 1 to 5 years	1,086,066
More than 5 years	937,726
Minimum lease liability payments	2,334,603
Future financing (expenses)	(547,507)
Total minimum net lease liability payments	1,787,096

The Company is not exposed to the future cash outflows for extension options or termination options. Additionally, there are no residual value guarantees, and there are no restrictions nor covenants imposed by leases.

Note 12.3. Short term leases and leases of low value assets of the Company as a lessee

Leases of low value assets are for items such as furniture and fixtures, computers, machinery and equipment and office equipment; lease contracts regarding all underlying assets with terms of less than one year, and lease contracts on intangible assets, and whose lease contracts which its payment is variable.

Variable lease payments apply to some of the Company's property leases and are detailed below:

	Year ended December 31,	
	2022	2021
Variable lease payments	69,778	60,019
Short term leases	2,613	2,903
Total	72,391	62,922

Note 12.4. Operating leases of the Éxito Group as a lessor

The Company has executed operating lease agreements on investment properties. Total future minimum instalments under non-cancellable operating lease agreements at the reporting dates are:

	Year ended December 31,	
	2022	2021
Up to one year	18,451	16,385
From 1 to 5 years	25,813	22,358
More than 5 years	23,540	25,602
Total minimum instalments under non-cancellable operating leases	67,804	64,345

Operating lease agreements cannot be cancelled during their term. Prior agreement of the parties is needed to terminate and a minimum cancellation payment is required ranging from 1 to 12 monthly instalments, or a fixed percentage on the remaining term.

For the year ended December 31, 2022 lease rental income was \$41,386 (December 31, 2021 - \$23,928) mostly comprised of investment property rental income for \$4,993 (December 31, 2021 - \$4,587). (Note 14) Income from variable lease payments was \$4,806 (December 31, 2021 - \$5,969).

Note 13. Intangible

The net balance of intangible, net is shown below:

	Year ended December 31,	
	2022	2021
Trademarks	81,131	81,131
Computer software	232,398	220,442
Rights	20,491	20,491
Other	22	22
Total cost of other intangible assets	334,042	322,086
Accumulated amortization	(142,838)	(130,527)
Total other intangible assets, net	191,204	191,559

The movement of the cost of intangible and of accumulated depreciation is shown below:

Cost	Trademarks (1)	Computer software	Rights (2)	Other	Total
Balance at December 31, 2020	81,131	185,442	26,986	22	293,581
Additions	-	36,487	2,771	-	39,258
(Decrease) from contributions to Patrimonios Autonomos	-	(606)	-	-	(606)
Disposals and derecognition	-	(2,138)	(9,266)	-	(11,404)
Other minor movements	-	1,257	-	-	1,257
Balance at December 31, 2021	81,131	220,442	20,491	22	322,086
Additions	-	22,588	-	-	22,588
Disposals and derecognition	-	(10,187)	-	-	(10,187)
Other minor movements	-	(445)	-	-	(445)
Balance at December 31, 2022	81,131	232,398	20,491	22	334,042

Accumulated amortization	Computer software	Rights (2)	Other	Total
Balance at December 31, 2020	117,804	-	-	117,804
Amortization	14,898	-	-	14,898
(Decrease) from contributions to Patrimonios Autonomos	(236)	-	-	(236)
Disposals and derecognition	(1,939)	-	-	(1,939)
Balance at December 31, 2021	130,527	-	-	130,527
Amortization	22,498	-	-	22,498
Disposals and derecognition	(10,187)	-	-	(10,187)
Balance at December 31, 2022	142,838	-	-	142,838

Impairment	Trademarks (1)	Computer software	Rights (2)	Other	Total
Balance at December 31, 2020	-	-	9,266	-	9,266
Disposals and derecognition	-	-	(9,266)	-	(9,266)
Balance at December 31, 2021	-	-	-	-	-

(1) Represents Surtimax trademark in amount of \$17,427 acquired upon the merger with Carulla Vivero S.A., and Super Inter trademark acquired upon the business combination with Comercializadora Giraldo Gómez y Cía. S.A. in amount of \$63,704.

The trademarks have an indefinite useful life. The Company estimates that there is no foreseeable time limit over which these assets are expected to generate net cash inflows, and consequently they are not amortized.

(2) The rights have an indefinite useful life. The Company estimates that there is no foreseeable time limit over which these assets are expected to generate net cash inflows, and consequently these are not amortized, except for rights of Libertad S.A.

For asset impairment testing purposes, the rights acquired in 2021 in amount of \$2,771 were allocated to Carulla.

Information about impairment testing is disclosed in Note 34.

At December 31, 2022 and 2021, intangible are not limited or subject to lien that would restrict their sale. In addition, there are no commitments to acquire or develop other intangible assets.

Note 14. Investment property, net

The Company's investment properties are business premises and land held to generate income from operating leases or future appreciation of their value.

The net balance of investment properties is shown below:

	Year ended December 31,	
	2022	2021
Land	60,314	57,481
Buildings	29,576	26,062
Constructions in progress	850	807
Total cost of investment property	90,740	84,350
Accumulated depreciation	(7,258)	(5,676)
Impairment	(62)	(88)
Total investment property, net	83,420	78,586

The movement of the cost of investment property, accumulated depreciation and impairment loss during the reporting periods is shown below:

Cost	Land	Buildings	Constructions in progress	Total
Balance at December 31, 2020	57,653	31,951	5,176	94,780
Additions	604	-	-	604
(Decrease) from contributions to Patrimonios Autonomos	-	(5,889)	(1,894)	(7,783)
(Decrease) from transfers (to) real estate project inventories	(776)	-	-	(776)
Disposals and derecognition	-	(5,384)	-	(5,384)
Other changes	-	5,384	(2,475)	2,909
Balance at December 31, 2021	57,481	26,062	807	84,350
Additions	-	-	600	600
Increase (decrease) from movements between investment properties accounts	-	557	(557)	-
Disposals and derecognition	(39)	(714)	-	(753)
Increases from transfers from non-current assets	1,229	1,844	-	3,073
Other changes	1,643	1,827	-	3,470
Balance at December 31, 2022	60,314	29,576	850	90,740

Accumulated depreciation	Buildings
Balance at December 31, 2020	5,422
Depreciation expenses	794
(Decrease) from contributions to Patrimonios Autonomos	(540)
Balance at December 31, 2021	5,676
Depreciation expenses	751
Disposals and derecognition	(39)
Increases from transfers from non-current assets	870
Balance at December 31, 2022	7,258

Impairment	Land	Buildings	Total
Balance at December 31, 2020	1	111	112
Impairment loss	(1)	5,361	5,360
Disposals and derecognition	-	(5,384)	(5,384)
Balance at December 31, 2021	-	88	88
Impairment loss	-	530	530
Disposals and derecognition	-	(556)	(556)
Balance at December 31, 2022	-	62	62

At December 31, 2022 and 2021, there are no limitations or liens imposed on investment property that restrict realization or tradability thereof.

At December 31, 2022 and 2021, the Company is not committed to acquire, build or develop new investment property. Neither there are compensations from third parties arising from the damage or loss of investment property.

Information about impairment testing is disclosed in Note 34. Note 35 discloses the fair value of investment property, based on the appraisal carried out by an independent third party.

The movement of the cost of property, plant and equipment, accumulated depreciation and impairment loss during the reporting periods is shown below:

Cost	Land	Buildings	Machinery and equipment	Furniture and fixtures	Assets under construction	Improvements to third party properties	Vehicles	Computers	Other property, plant and equipment	Total
Balance at December 31, 2020	449,842	911,075	694,959	429,813	25,344	325,811	9,047	160,472	16,050	3,022,413
Additions	-	15,519	100,281	55,395	-	42,403	-	125,558	-	339,156
Disposals and derecognition	-	(3,879)	(24,868)	(13,130)	(74)	(6,673)	(587)	(12,369)	-	(61,580)
(Decrease) from contribution to Patrimonios Autónomos	-	-	(4,058)	-	(230)	(61)	-	-	-	(4,349)
(Decrease) from transfers (to) other balance sheet accounts - Tax assets	-	(483)	(14,650)	(7,062)	(1,079)	(982)	-	(20,496)	-	(44,752)
Other minor changes	-	3,822	(2,456)	3,089	(14,888)	6,294	432	724	-	(2,983)
Balance at December 31, 2021	449,842	926,054	749,208	468,105	9,073	366,792	8,892	253,889	16,050	3,247,905
Additions	-	23,126	123,530	72,578	1,442	73,459	40	36,520	-	330,695
Disposals and derecognition	(466)	(2,396)	(26,785)	(10,406)	(93)	(7,730)	(208)	(9,378)	-	(57,462)
(Decrease) from transfers (to) other balance sheet accounts - Tax assets	-	(200)	(18,476)	(11,508)	(276)	(2,579)	-	(3,459)	-	(36,498)
Other minor changes	(1,643)	(1,802)	135	58	10	-	-	182	-	(3,060)
Balance at December 31, 2022	447,733	944,782	827,612	518,827	10,156	429,942	8,724	277,754	16,050	3,481,580

Accumulated depreciation	Land	Buildings	Machinery and equipment	Furniture and fixtures	Assets under construction	Improvements to third party properties	Vehicles	Computers	Other property, plant and equipment	Total
Balance at December 31, 2020	-	176,233	367,205	259,287	-	182,043	6,463	116,959	4,797	1,112,987
Depreciation	-	27,012	67,320	47,661	-	25,229	889	26,786	788	195,685
(Decrease) from contribution to Patrimonios Autónomos	-	-	(494)	-	-	-	-	-	-	(494)
Disposals and derecognition	-	(1,165)	(18,368)	(9,441)	-	(4,147)	(457)	(11,705)	-	(45,283)
Balance at December 31, 2021	-	202,080	415,663	297,507	-	203,125	6,895	132,040	5,585	1,262,895
Depreciation	-	27,761	68,262	48,187	-	31,296	871	30,207	788	207,372
Disposals and derecognition	-	(601)	(21,893)	(8,412)	-	(6,921)	(175)	(9,329)	-	(47,331)
Other minor changes	-	(435)	-	-	-	-	-	-	-	(435)
Balance at December 31, 2022	-	228,805	462,032	337,282	-	227,500	7,591	152,918	6,373	1,422,501

Impairment	Land	Buildings	Machinery and equipment	Furniture and fixtures	Assets under construction	Improvements to third party properties	Vehicles	Computers	Other property, plant and equipment	Total
Balance at December 31, 2020	-	-	-	-	-	-	-	-	-	-
Impairment loss	-	756	-	-	-	239	-	-	-	995
Disposals and derecognition	-	(756)	-	-	-	-	-	-	-	(756)
Balance at December 31, 2021	-	-	-	-	-	239	-	-	-	239
Impairment loss	-	241	-	-	-	-	-	-	-	241
Disposals and derecognition	-	(241)	-	-	-	(239)	-	-	-	(480)
Balance at December 31, 2022	-	-	-	-	-	-	-	-	-	-

During the years ended December 31, 2022 and 2021 the results at the Company from the investment property are as follows:

	Year ended December 31,	
	2022	2021
Lease rental income	4,993	4,587
Operating expense related to leased investment properties	(534)	(447)
Operating expense related to investment properties that are not leased	(4,029)	(2,075)
Net gain from investment property	430	2,065

Note 16. Property, plant and equipment, net

	Year ended December 31,	
	2022	2021
Land	447,733	449,842
Buildings	944,782	926,054
Machinery and equipment	827,612	749,208
Furniture and fixtures	518,827	468,105
Assets under construction	10,156	9,073
Improvements to third-party properties	429,942	366,792
Vehicles	8,724	8,892
Computers	277,754	253,889
Other property, plant and equipment	16,050	16,050
Total property, plant and equipment, gross	3,481,580	3,247,905
Accumulated depreciation	(1,422,501)	(1,262,895)
Impairment	-	(239)
Total property, plant and equipment, net	2,059,079	1,984,771

Assets under construction are represented by those assets in process of construction and process of assembly not ready for their intended use as expected by the Company management, and on which costs directly attributable to the construction process continue to be capitalized if they are qualifying assets.

The cost of property, plant and equipment does not include the balance of estimated dismantling and similar costs, based on the assessment and analysis made by the Company which concluded that there are no contractual or legal obligations at acquisition.

At December 31, 2022 and 2021 no restrictions or liens have been imposed on items of property, plant and equipment that limit their sale, and there are no commitments to acquire, build or develop property, plant and equipment.

Information about impairment testing is disclosed in Note 30.

Note 15.1 Additions to property, plant and equipment for cash flow presentation purposes

	Year ended December 31,	
	2022	2021
Additions	330,695	339,156
Additions to trade payables for deferred purchases of property, plant and equipment	(406,102)	(370,503)
Payments for deferred purchases of property, plant and equipment	348,676	282,933
Acquisition of property, plant and equipment in cash	273,269	251,586

Note 16. Goodwill

The balance of goodwill is as follows:

	Year ended December 31,	
	2022	2021
Carulla Vivero S.A.	827,420	827,420
Súper Inter	453,649	453,649
Cafam	122,219	122,219
Otras	49,789	49,789
Total goodwill	1,453,077	1,453,077

Goodwill has indefinite useful life on the grounds of the Company's considerations thereon, and consequently it is not amortized.

Goodwill was not impaired at December 31, 2022 and 2021.

Note 17. Investments accounted for using the equity method

The balance of investments accounted for using the equity method includes:

Company	Classification	Year ended December 31,	
		2022	2021
Spice Investment Mercosur S.A.	Subsidiary	2,181,321	1,766,671
Onper Investment 2015 S.L. (1)	Subsidiary	1,114,211	831,007
Patrimonio Autónomo Viva Malls	Subsidiary	1,021,744	974,979
Compañía de Financiamiento Tuya S.A.	Joint venture	287,611	279,753
Éxito Industrias S.A.S.	Subsidiary	205,272	176,925
Logística, Transporte y Servicios Asociados S.A.S.	Subsidiary	24,725	18,617
Puntos Colombia S.A.S.	Joint venture	11,514	9,601
Marketplace Internacional Éxito y Servicios S.A.S.	Subsidiary	6,404	6,777
Depósito y Soluciones Logísticas S.A.S.	Subsidiary	5,348	5,233
Éxito Viajes y Turismo S.A.S.	Subsidiary	5,176	4,545
Fideicomiso Lote Girardot	Subsidiary	3,850	3,850
Patrimonio Autónomo Iwana	Subsidiary	3,025	3,134
Almacenes Éxito Inversiones S.A.S.	Subsidiary	2,208	2,176
Transacciones Energéticas S.A.S. E.S.P.	Subsidiary	1,956	2,204
Sara ANV S.A. (2)	Joint venture	799	-
Gestión y Logística S.A.	Subsidiary	155	153
Total investments accounted for using the equity method		4,875,319	4,085,625

(1) The balance relates to subsidiaries Libertad S.A., Via Artika S.A., Gelase S.A. and Spice España de Valores Americanos S.L.

(2) Joint venture started on June 17, 2022.

Note 17.1. Non-financial information

Information regarding country of domicile, functional currency, main economic activity, ownership percentage and shares held in investments accounted for using the equity method is shown below:

Company	Country	Functional currency	Primary economic activity	Ownership percentage		Number of shares	
				2022	2021	2022	2021
				Year ended December 31,			
Spice Investment Mercosur S.A.	Uruguay	Uruguayan peso	Holding	100%	100%	6.550.177.757	6.550.177.757
Onper Investment 2015 S.L.	Spain	Euro	Holding	100%	100%	3.000	3.000
Patrimonio Autónomo Viva Malls	Colombia	Colombian peso	Real Estate	51%	51%	No aplica	No aplica
Compañía de Financiamiento Tuya S.A.	Colombia	Colombian peso	Credit	50%	50%	13.097.457.027	11.084.732.098
Éxito Industrias S.A.S.	Colombia	Colombian peso	Trade	97.95%	97.95%	3.990.707	3.990.707
Logística, Transporte y Servicios Asociados S.A.S.	Colombia	Colombian peso	Transport	100%	100%	6.774.786	6.774.786
Puntos Colombia S.A.S.	Colombia	Colombian peso	Services	50%	50%	9.000.000	9.000.000
Marketplace Internacional Éxito y Servicios S.A.S.	Colombia	Colombian peso	Trade	100%	100%	8.000.000	8.000.000
Depósito y Soluciones Logísticas S.A.S.	Colombia	Colombian peso	Trade	100%	100%	5.500.000	5.500.000
Éxito Viajes y Turismo S.A.S.	Colombia	Colombian peso	Services	51%	51%	2.500.000	2.500.000
Fideicomiso Lote Girardot	Colombia	Colombian peso	Real Estate	100%	100%	No aplica	No aplica
Patrimonio Autónomo Iwana	Colombia	Colombian peso	Real Estate	51%	51%	No aplica	No aplica
Almacenes Éxito Inversiones S.A.S.	Colombia	Colombian peso	Telephone services	100%	100%	300.000	300.000
Transacciones Energéticas S.A.S. E.S.P.	Colombia	Colombian peso	Services	100%	100%	42.357.100	42.357.100
Sara ANV S.A.	Colombia	Colombian peso	Services	50%	-	850.000	-
Gestión y Logística S.A.	Panama	Colombian peso	Trade	100%	100%	500	500
Marketplace Internacional Éxito S.L.	Spain	Euro	Trade	100%	100%	3.000	3.000

Note 17.2. Financial information

Financial information regarding investments accounted for using the equity method at December 31, 2022:

Companies	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Revenue from ordinary activities	Income from continuing operations	Total other comprehensive income

Companies	Cash and cash equivalents	Current financial liabilities	Non-current financial liabilities	Revenue from interest	Interest expense	Depreciation and amortization	Income tax expense
Spice Investment Mercosur S.A.	277,878	1,641,912	266,986	11,849	(24,058)	(72,185)	(29,768)
Onper Investment 2015 S.L.	79,129	354,807	376	4,159	(2,659)	(24,426)	12,769
Patrimonio Autónomo Viva Malls	69,424	32,919	-	1,539	-	(56,439)	-
Compañía de Financiamiento Tuya S.A.	523,859	2,036,426	2,382,673	1,412	(13,010)	(28,508)	(13,828)
Éxito Industrias S.A.S.	3,015	7,606	5,523	710	(1,670)	(7,353)	(16,948)
Logística, Transporte y Servicios Asociados S.A.S.	18,124	18,481	9,021	307	(665)	(6,428)	(3,986)
Puntos Colombia S.A.S.	39,496	64,500	1,288	3,011	(23)	(746)	(3,034)
Marketplace Internacional Éxito y Servicios S.A.S.	1,592	245	-	-	(99)	(1,328)	(19)
Depósito y Soluciones Logísticas S.A.S.	5,291	7	-	285	-	(7)	(10)
Éxito Viajes y Turismo S.A.S.	37,416	35,548	583	1,591	(73)	(852)	(4,578)
Patrimonio Autónomo Iwana	62	63	-	1	-	(149)	-
Almacenes Éxito Inversiones S.A.S.	6,677	9,570	-	406	(31)	(70)	(288)
Transacciones Energéticas S.A.S. E.S.P.	2,181	2,257	-	45	-	-	-
Sara ANV S.A.	850	380	-	-	-	-	-
Gestión y Logística S.A.	155	-	-	-	-	-	-

Financial information regarding investments accounted for using the equity method at December 31, 2021:

Companies	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Revenue from ordinary activities	Income from continuing operations	Total other comprehensive income
Spice Investment Mercosur S.A.	689,919	2,132,546	1,174,315	199,228	1,448,922	2,672,393	114,063	157,370
Onper Investment 2015 S.L.	314,484	1,008,084	257,445	234,116	831,007	1,218,469	8,843	8,843
Patrimonio Autónomo Viva Malls	98,750	2,044,814	58,791	-	2,084,773	288,858	116,412	131,713
Compañía de Financiamiento Tuya S.A.	3,851,907	113,490	1,956,776	1,484,265	524,356	1,074,933	10,681	10,681
Éxito Industrias S.A.S.	134,859	146,477	42,163	51,254	188,019	111,964	19,486	19,486
Logística, Transporte y Servicios Asociados S.A.S.	26,158	16,599	17,747	6,393	18,617	167,556	4,141	4,141
Puntos Colombia S.A.S.	167,340	11,320	151,408	8,051	19,201	259,482	3,787	3,787
Marketplace Internacional Éxito y Servicios S.A.S.	2,385	5,234	842	-	6,777	3,648	395	395
Depósito y Soluciones Logísticas S.A.S.	4,974	267	9	-	5,232	820	(141)	(141)
Éxito Viajes y Turismo S.A.S.	39,518	3,049	33,683	406	8,478	20,669	4,626	4,626
Fideicomiso Lote Girardot	-	3,850	-	-	3,850	-	-	-
Patrimonio Autónomo Iwana	68	5,668	43	-	5,693	333	(125)	(125)
Almacenes Éxito Inversiones S.A.S.	8,800	5,107	9,448	-	4,459	31,589	1,181	1,181
Transacciones Energéticas S.A.S. E.S.P.	2,286	-	82	-	2,204	-	(851)	(851)
Gestión y Logística S.A.	185	-	32	-	153	-	(34)	(34)
Marketplace Internacional Éxito y S.L.	8	-	103	-	(95)	154	(138)	(138)

Companies	Cash and cash equivalents	Current financial liabilities	Non-current financial liabilities	Revenue from interest	Interest expense	Depreciation and amortization	Income tax expense
Spice Investment Mercosur S.A.	267,111	1,133,143	199,228	6,854	(19,986)	(55,552)	(29,768)
Onper Investment 2015 S.L.	91,215	240,273	63,301	6,643	(12,881)	(24,874)	12,769
Patrimonio Autónomo Viva Malls	67,261	56,171	-	511	-	(54,171)	-
Compañía de Financiamiento Tuya S.A.	353,348	1,807,287	1,465,859	365	(5,957)	(21,113)	(13,828)
Éxito Industrias S.A.S.	6,318	41,248	34,573	1,272	(3,463)	(9,402)	(11,167)
Logística, Transporte y Servicios Asociados S.A.S.	11,442	6,853	6,362	87	(1,004)	(7,083)	(5,164)
Puntos Colombia S.A.S.	61,229	47,442	88	1,195	(49)	(911)	(1,876)
Marketplace Internacional Éxito y Servicios S.A.S.	145	814	-	-	(2)	(872)	(179)
Depósito y Soluciones Logísticas S.A.S.	4,758	1	-	81	(60)	(309)	(61)
Éxito Viajes y Turismo S.A.S.	33,987	33,174	406	384	(66)	(841)	(2,310)
Patrimonio Autónomo Iwana	35	40	-	-	-	(146)	-
Almacenes Éxito Inversiones S.A.S.	5,675	7,907	-	45	(57)	(70)	(1,501)
Transacciones Energéticas S.A.S. E.S.P.	2,191	-	-	-	(381)	-	(53)
Gestión y Logística S.A.	185	32	-	-	-	-	-
Marketplace Internacional Éxito y S.L.	8	103	-	-	-	-	-

There are no restrictions on the capability of the subsidiaries to transfer funds to the Company in the form of cash dividends, or loan repayments or advance payments. Additionally, the Company has no contingent liabilities incurred related to its participation therein.

Embedded obligations acquired by the Company on behalf of its subsidiaries, whose losses are higher than the investment therein held are described in Note 21.

Note 17.3. Corporate purpose

The corporate purpose and other corporate information of investments accounted for using the equity method is the following:

Spice Investments Mercosur S.A.

A Uruguayan closed stock company, with nominative share titles. Its core purpose is investing in general, pursuant to section 47 of Uruguayan Law 16060, and it may develop investment activities in the country and abroad. Its main place of business is at Avenida General José María Paz No. 1404, Montevideo, Uruguay.

Onper Investments 2015 S.L.

A subsidiary with domicile in Spain, Parent of Oregon LLC, Pincher LLC and Bengal LLC (companies domiciled in the United States of America) wherein it holds an interest equivalent to 50% of the share capital, Parent of Libertad S.A., Ceibotel S.A. and Geant Argentina S.A. (companies domiciled in Argentina), Vía Artika S.A. (a company domiciled in Uruguay), Spice España de Valores Americanos S.L. (a company domiciled in Spain) and Gelase S.A. (a company domiciled in Belgium) wherein it holds 100% of share capital.

The subsidiary's corporate purpose is to carry out the following activities, in Spain and abroad:

- Manage and administer securities representing the funds of non-resident entities in Spanish territory, through the organization of physical and human resources. CNAE Code 66.30/64.20.
- Purchase, subscribe, hold, manage, administer, barter and sell domestic and foreign movable securities on its own without intermediation, through the organization of physical and human resources. CNAE Code 66.12.
- Promote and develop all kinds of real estate, urban or soil management plans, whether for industrial, commercial or housing purposes. This shall include purchasing, holding, managing, administering, bartering and selling all kinds of real estate assets. CNAE Code 4110 and 683.2.
- Perform all kinds of economic, financial and commercial surveys, as well as real estate-related surveys including those regarding the management, administration, merger and concentration of companies, and the provision of trade and entrepreneurial services. CNAE Code 69.20.
- Exception is made of activities reserved by Law to Collective Investments Institutions, as well as those expressly reserved by the Stock Exchange Law to stockbroking agents and/or Securities and Exchange Companies.
- Should legal provisions require a certain professional title, administrative authorization or filing with public registers to perform any of the activities included in the corporate purpose, such activities shall be carried out by individuals holding such title and, as the case may be, shall not be initiated without compliance with administrative requirements.

The mentioned activities also may be carried out, in full or in part, indirectly through investments in other companies having the same or similar corporate purpose as that described above, or under any form pursuant to the Law.

Patrimonio Autónomo Viva Malls

Established on July 15, 2016 by means of public deed 679 granted before the Notary 31st of Medellín as a stand-alone trust fund through Itaú Fiduciaria. Its main business purpose is the acquisition, whether directly or indirectly, of material rights to real estate property, mainly shopping centers and the development thereof, and the development of other real estate assets as well as the exploitation and operation thereof. The business purpose includes to lease the trade premises to third parties or to related parties, grant concessions on spaces that are part of the property, exploit, market and maintain the premises, raise funds and dispose of the assets, as well as perform all related activities as required to meet business goals. Its main place of business is at Carrera 7 No. 27 - 18 14th floor, Bogotá, Colombia.

Compañía de Financiamiento Tuya S.A.

A joint venture, joint control over which was acquired on October 31, 2016. It is a private entity, authorized by the Colombian Financial Superintendence, incorporated by means of public deed No. 7418 granted on November 30, 1971 before the Notary First of Bogotá, having its main place of business in Medellín. The company's main corporate purpose is attracting resources using term-deposits with the primary purpose of engaging in credit active operations, to ease the trading of goods and services, without affecting operations and investments that it may carry out in compliance with the conditions or limitations set out by the legal regime applicable to financing companies.

Éxito Industrias S.A.S.

A subsidiary incorporated by private document on June 26, 2014. Its corporate purpose is (i) acquire, store, transform, manufacture, sell and in general distribute under any type of contract textile goods of domestic or foreign make, and acquire, give or receive property under lease agreements devoted for opening stores, shopping malls and other locations adequate for the distribution of merchandise and the sale of goods or services; (ii) launch and operate e-commerce activities in Colombia; (iii) enter into all kinds of contracts including, without limitation, lease, distribution, operation, association, purchase-sale, technical assistance, supply, inspection, control and service contracts seeking to adequately perform its corporate purpose; (iv) provide all kinds of services including, without limitation, the execution of administration, advisory, consultancy, technical and presentation agreements seeking to adequately perform its corporate purpose; and (v) Its main place of business is at Carrera 48 No. 32 Sur - 29, Envigado, Colombia. The company's life span is indefinite.

Logística, Transporte y Servicios Asociados S.A.S.

A subsidiary incorporated on May 23, 2014, under Colombian laws. Its main corporate purpose is the provision of air, land, maritime, fluvial, railway and multimodal domestic and international freight services for all kinds of goods in general. Its main place of business is at Carrera 48 No. 32B Sur - 139, Envigado, Colombia. The company's life span is indefinite.

Puntos Colombia S.A.S.

A joint venture established on April 19, 2017 under Colombian law. Its main corporate purpose is the purchase and sale of loyalty points, and the design, development, implementation, operation and administration of a loyalty program for the development of loyalty strategies applicable to the customers of alliance partners, through the recognition, accumulation, issue and redemption of loyalty points, as well as the purchase and sale of loyalty points. Its main place of business is at Carrera 48 No. 32B Sur 139, Envigado, Colombia. The company's life span is indefinite.

Marketplace Internacional Éxito y Servicios S.A.S.

A subsidiary incorporated on September 12, 2018 under Colombian laws. Its main corporate purpose is carrying out the following activities in one or several free-trade zones: (i) provision of services to access the e-commerce platform made available by the company, through which those logging in may perform trade transactions; (ii) activities required to ensure an adequate performance of the e-commerce platform through which accessing sellers and buyers conduct transactions; (iii) issue, commercialization, processing and reimbursement of IOUs, coupons, cards or bonuses, whether physical or digital, or through any other technological means used as a mechanism to access the goods and services offered. Its main place of business is at Carrera 48 No. 32B Sur - 139, Envigado, Colombia. The company's life span is indefinite.

Depósitos y Soluciones Logísticas S.A.S.

A subsidiary incorporated on June 21, 2019 under Colombian laws. Its main corporate purpose is the storage of goods under customs control. Its main place of business is located at calle 43 sur No. 48-127, Envigado, Colombia. The company's life span is indefinite.

Éxito Viajes y Turismo S.A.S.

A subsidiary incorporated on May 30, 2013, under Colombian laws. Its main corporate purpose is the exploitation of tourism-related activities, as well as the representation of the tourism industry and the opening of travel agencies whatever its nature and the promotion of domestic and international tourism. Its main place of business is at Carrera 43 No. 31 - 166, Medellín, Colombia. The company's life span is indefinite.

Fideicomiso Lote Girardot

The plot of land was acquired by means of assignment of fiduciary rights on February 11, 2011 through Alianza Fiduciaria S.A. Its purpose is to acquire title to the property on behalf of the Company. Its main place of business is at Carrera 10 and 11 with Calle 25, Girardot, Colombia.

Patrimonio Autónomo Iwana

Established on December 22, 2011 as a stand-alone trust fund through Fiduciaria Bancolombia S.A. Its business purpose is to operate Iwana shopping mall, including maintaining legal title to the property; execute lease agreements and the extension, renewal, amendment and termination of such agreements in accordance with the instructions received from the trustor (Parent) in its capacity as real estate administrator; the business purpose also includes manage resources, make payments as required to administer and operate the business premises and other units that are part thereof. The main place of business of the shopping mall is at Carrera 11 No. 50 – 19, Barrancabermeja, Colombia.

Almacenes Éxito Inversiones S.A.S.

A subsidiary incorporated by private document on September 27, 2010. Its corporate purpose is mainly (i) incorporate, finance, promote, invest, individually or jointly with other individuals or legal entities, in the incorporation of companies or businesses whose purpose is the manufacturing or trading of goods, objects, merchandise, articles or elements or the provision of services related with the exploitation of trade establishments and link with such companies as associate, by contributing cash, goods or services, and (ii) promote, invest, individually or jointly with other individuals or legal entities, in the provision of networks, services and telecommunications added value, particularly all activities permitted in Colombia or abroad related with telecommunications, mobile phone and added value services. Its main place of business is at Carrera 48 No. 32B Sur - 139, Envigado, Colombia. The company's life span is indefinite.

Transacciones Energéticas S.A.S. E.S.P.

A subsidiary incorporated on March 12, 2008. This new corporate name was created as of February 16, 2021 (Note 17.2). As a consequence of this change of corporate name, the main corporate purpose consists of the trading of electric power, acquiring energy in the wholesale market for sale to end users and acquiring energy for the regulated market through a uniform conditions contract, and for the non-regulated market through a bilateral negotiation contract. Its main place of business is at Carrera 48 No. 32B Sur - 139, Envigado, Colombia. The company's life span is indefinite.

Sara ANV S.A.

Joint venture established by public deed No. 776 of June 17, 2022, of public deed 3 of Envigado. Its main corporate purpose of the company is the performance of all operations, businesses, acts, services, or activities that, by of the applicable financial regulation, result from bequest activities, whether carried out directly or through third parties. Its main address is located at Carrera 48 number 32B Sur – 139, Envigado, Colombia. The term of duration of the company is until June 16, 2122.

Gestión y Logística S.A.

A subsidiary incorporated on September 7, 2021. Its corporate purpose consists mainly of the rendering of services in general, as well as the purchase and sale of all kinds of real estate and personal property. The main place of business is in Panama City. The company's life span is indefinite.

Marketplace Internacional Éxito S.L.

A subsidiary incorporated on October 9, 2019 under Spanish laws. Its main corporate purpose is to carry out marketing, business development and public relations activities, as well as any activity and the provision of any service related with or ancillary to the above. Its main place of business is at calle Constitución No 75, 28946, Fuenlabrada (Madrid), Spain. The company's life span is indefinite.

Note 17.4. Investments in joint ventures with material non-controlling interests

At December 31, 2022 and at December 31, 2021 the following are associates and joint ventures with material non-controlling interests:

Investment	Material Non-controlling interests	
	Year ended December 31, 2022	2021
Joint venture		
Compañía de Financiamiento Tuya S.A.	50%	50%
Puntos Colombia S.A.S.	50%	50%
Sara ANV S.A.	50%	-

Below is a summary of financial information regarding associates and joint ventures with material non-controlling interests at December 31, 2022:

Companies	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Revenue from ordinary activities	Income from continuing operations	Total other comprehensive income
Compañía de Financiamiento Tuya S.A.	4,968,085	133,262	2,160,570	2,400,687	540,090	1,530,333	(73,266)	(73,266)
Puntos Colombia S.A.S.	196,826	37,789	199,105	12,483	23,027	320,137	3,826	3,826
Sara NV S.A.	850	1,230	380	-	1,700	-	-	-

Companies	Cash and cash equivalents	Current financial liabilities	Non-current financial liabilities	Revenue from interest	Interest expense	Depreciation and amortization	Income tax expense
Compañía de Financiamiento Tuya S.A.	523,859	2,036,426	2,382,673	1,412	(13,010)	(28,508)	(13,828)
Puntos Colombia S.A.S.	39,496	64,500	1,288	3,011	(23)	(747)	(3,034)
Sara NV S.A.	850	380	-	-	-	-	-

Below is a summary of financial information regarding associates and joint ventures with material non-controlling interests at December 31, 2021:

Companies	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Revenue from ordinary activities	Income from continuing operations	Total other comprehensive income
Compañía de Financiamiento Tuya S.A.	3,851,907	113,490	1,956,776	1,484,265	524,356	1,074,933	10,681	10,681
Puntos Colombia S.A.S.	167,340	11,320	151,408	8,051	19,201	259,482	3,787	3,787

Companies	Cash and cash equivalents	Current financial liabilities	Non-current financial liabilities	Revenue from interest	Interest expense	Depreciation and amortization	Income tax Expense
Compañía de Financiamiento Tuya S.A.	353,348	1,807,287	1,465,860	624,858	(89,465)	(21,113)	(13,828)
Puntos Colombia S.A.S.	61,229	47,442	88	1,195	(49)	(911)	(1,876)

Note 17.5. Other information

The reconciliation of summarized financial information reported to the carrying amount of subsidiaries, associates and joint ventures in the separate financial statements is shown below:

Companies	December 31, 2022			
	Net assets	Ownership percentage	Proportionate share of net assets	Carrying amount (1)
Spice Investment Mercosur S.A.	1,893,478	100%	1,893,478	2,181,321
Onper Investment 2015 S.L. (1)	1,114,212	100%	1,114,212	1,114,211
Patrimonio Autónomo Viva Malls	2,152,898	51%	1,097,978	1,021,744
Compañía de Financiamiento Tuya S.A.	540,090	50%	270,045	287,611
Éxito Industrias S.A.S.	218,880	97.95%	214,392	205,272
Logística, Transporte y Servicios Asociados S.A.S.	24,780	100%	24,780	24,725
Puntos Colombia S.A.S.	23,027	50%	11,514	11,514
Marketplace Internacional Éxito y Servicios S.A.S.	6,404	100%	6,404	6,404
Depósito y Soluciones Logísticas S.A.S.	5,348	100%	5,348	5,348
Éxito Viajes y Turismo S.A.S.	9,885	51%	5,041	5,176
Fideicomiso Lote Girardot	3,850	100%	3,850	3,850
Patrimonio Autónomo Iwana	5,521	51%	2,816	3,025
Almacenes Éxito Inversiones S.A.S.	4,491	100%	4,491	2,208
Transacciones Energéticas S.A.S. E.S.P.	1,956	100%	1,956	1,956
Sara ANV S.A.	1,700	50%	850	799
Gestión y Logística S.A.	155	100%	155	155

Companies	December 31, 2021			
	Net assets	Ownership percentage	Proportionate share of net assets	Carrying amount (1)
Spice Investment Mercosur S.A.	1,448,922	100%	1,448,922	1,766,671
Onper Investment 2015 S.L. (1)	831,007	100%	831,007	831,007
Patrimonio Autónomo Viva Malls	2,084,773	51%	1,063,234	974,979
Compañía de Financiamiento Tuya S.A.	524,356	50%	262,178	279,753
Éxito Industrias S.A.S.	188,019	97.95%	184,165	176,925
Logística, Transporte y Servicios Asociados S.A.S.	18,617	100%	18,617	18,617
Puntos Colombia S.A.S.	19,201	50%	9,601	9,601
Marketplace Internacional Éxito y Servicios S.A.S.	6,777	100%	6,777	6,777
Depósito y Soluciones Logísticas S.A.S.	5,232	100%	5,233	5,233
Éxito Viajes y Turismo S.A.S.	8,478	51%	4,324	4,545
Fideicomiso Lote Girardot	3,850	100%	3,850	3,850
Patrimonio Autónomo Iwana	5,693	51%	2,903	3,134
Almacenes Éxito Inversiones S.A.S.	4,459	100%	4,459	2,176
Transacciones Energéticas S.A.S. E.S.P.	2,204	100%	2,204	2,204
Gestión y Logística S.A.	153	100%	153	153

(1) Amount of investment and goodwill.

No dividends were received from joint ventures during the years ended December 31, 2022 and December 31, 2021.

There are no restrictions on the capability of investments accounted for using the equity method to transfer funds in the form of cash dividends, or loan repayments or advance payments.

There are not contingent liabilities incurred related to its participation therein.

There are no constructive obligations acquired on behalf of investments accounted for using the equity method arising from losses exceeding the interest held in them, except for mentioned in Note 21.

These investments have no restrictions or liens that affect the interest held in them.

Note 18. Non-cash transactions

During 2022 and 2021, the Company had non-cash additions to property, plant and equipment, and to right of use assets, that were not included in the statement of cash flow, presented in Note 12 and 15, respectively.

Note 19. Loans and borrowing

The balance of loans and borrowing is shown below:

	Year ended December 31,	
	2022	2021
Bank loans	791,098	878,268
Current	251,118	136,184
Non-current	539,980	742,084

The movement in loans and borrowing during the reporting periods is shown below:

Balance at December 31, 2020	973,704
Proceeds from loans and borrowing	270,000
Interest accrued	46,161
Repayments of loans and borrowings	(411,597)
Balance at December 31, 2021 (1)	878,268
Proceeds from loans and borrowing (2)	764,374
Interest accrued	108,526
Repayments of loans and borrowings (3)	(960,070)
Balance at December 31, 2022	791,098

(1) The balance at December 31, 2021 mainly includes \$205,416 of a bilateral credit taken on March 27, 2020, \$135,000 of a bilateral credit taken on June 3, 2020 and the extension of a bilateral credit with three new bilateral credits in amounts of \$200,000, \$190,000 and \$141,675 taken on March 26, 2021.

(2) The Company requested disbursement of \$230,000 against one of its outstanding bilateral credits entered February 18, 2022.

The Company requested disbursement of \$170,000 against the bilateral revolving credit entered on February 18, 2022 and \$40,000 against other bilateral revolving credit entered on April 4, 2022.

In August 2022, the Company requested disbursement of \$90,000 against the bilateral revolving credit entered on February 18, 2022 and \$160,000 against another bilateral revolving credit entered on April 4, 2022.

Other financial liabilities represent factoring triangular transactions in amount of \$74,374 carried out during August and September 2022.

(3) In March 2022, the Company repaid \$12,083 on the bilateral credit agreement executed on March 27, 2020.

In April 2022, the Company repaid \$8,325 and \$17,271 on the bilateral credit agreements executed on March 26, 2021.

In June 2022, the Company repaid \$12,083 on the bilateral credit agreement executed on March 27, 2020.

In September 2022, the Company repaid \$12,083 on the bilateral credit agreement executed on March 27, 2020 and paid \$49,432 on factoring triangular transactions.

In October 2022, the Company repaid \$8,325 and \$17,271 on two bilateral credit agreements executed on March 26, 2021 and paid \$24,685 on factoring triangular transactions.

In November 2022, the Company repaid \$190,000 on the bilateral credit agreement executed on February 18, 2022, \$90,000 on other bilateral revolving credit agreement executed on April 4, 2022 and paid \$259 on factoring triangular transactions.

In December 2022, the Company repaid \$12,083 on the bilateral credit agreement executed on March 27, 2020, \$370,000 on bilateral revolving credit agreement executed on February 18, 2022 and \$40,000 on bilateral revolving credit agreement executed on April 4, 2022.

Below is a detail of maturities for non-current loans and borrowings outstanding at December 31, 2022, discounted at present value:

Year	Total
2024	318,791
2025	114,935
2026	60,183
>2027	46,071
	539,980

The Company has available unused credit lines to minimize liquidity risks, as follows:

	As at December 31, 2022
Banco Davivienda S.A.	500,000
Bancolombia S.A.	500,000
Total	1,000,000

Note 19.1. Covenants

As long as the Company has payment obligations arising from the contracts executed on March 27, 2020, the Company is committed to maintain a leverage financial ratio of less than 2.8x. Such ratio will be measured annually on April 30 or, if not a working day, the next working day, based on the audited separate financial statements for each annual period.

As at December 31, 2022 and 2021, the Company complied with its covenants.

Note 19.2. Financial leverage ratio

The following is the estimation of the financial leverage ratio:

	Year ended December 31,	
	2022	2021
Current (liabilities) assets		
Current financial (liabilities) (1)	(251,118)	(136,184)
Other current financial (liabilities) (2) (Note 24)	(5,404)	(834)
Other current financial assets (3)	40,154	13,748
Non-current (liabilities) assets		
Non-current financial (liabilities) (1)	(539,980)	(742,084)
Other non-current financial assets (3)	1,626	3,332
Total liabilities (assets), net	(754,722)	(862,022)
Adjusted recurring Ebitda	1,253,379	1,203,015
Net liabilities/Adjusted recurring Ebitda	0.60	0.72

(1) Financial liabilities:

	Year ended December 31,	
	2022	2021
Bank loans	791,098	878,268
Current	251,118	136,184
Non-current	539,980	742,084

(2) Other current financial liabilities:

	Year ended December 31,	
	2022	2021
Derivative financial instruments	5,404	592
Derivative financial instruments designated as hedge instruments	-	242
Total other current financial liabilities	5,404	834

(3) Other current financial assets:

	Year ended December 31,	
	2022	2021
Derivative financial instruments designated as hedge instruments	12,854	2,691
Derivative financial instruments	27,300	11,057
Total other current financial assets	40,154	13,748

Other non-current financial assets:

	Year ended December 31,	
	2022	2021
Derivative financial instruments designated as hedge instruments	1,626	3,332

(4) Under contract terms, the estimation of the Ebitda is as follows:

- Recurring operating income of the last 12 months, measured pursuant to IFRS 16,
- Plus depreciation and amortization, and all other expenses not involving cash outflows, accrued during the same 12-month period, including those arising from the depreciation of use rights pursuant to IFRS 16
- Plus dividends distributed by subsidiaries, directly or through special-purpose vehicles, under control of the Company, effectively received,
- Plus proforma dividends of subsidiaries acquired during the last 12 months of activity. Proforma dividends are those dividends that would have been received if the Parent had acquired or maintained under control a subsidiary during the entire 12-month period.

Note 20. Employee benefits

The balance of employee benefits is shown below:

	Year ended December 31,	
	2022	2021
Defined benefit plans	15,810	18,793
Long-term benefit plan	1,528	1,573
Total employee benefits	17,338	20,366
Current	2,692	2,482
Non-Current	14,646	17,884

Note 20.1. Defined benefit plans

The Company has the following defined benefit plans:

a. Retirement pension plan

Under the plan, each employees will receive, upon retirement, a monthly pension payment, pension adjustments pursuant to legal regulations, survivor's pension, assistance with funeral expenses and June and December bonuses established by law. Such amount depends on factors such as: employee age, time of service and salary.

The Company is responsible for the payment of retirement pensions to employees who meet the following requirements: (a) employees who at January 1, 1967 had served more than 20 years (full liability), and (b) employees and former employees who at January 1, 1967 had served more than 10 years but less than 20 years (partial liability).

b. Retroactive severance pay plan

Retroactivity of severance pay is estimated for those employees whom labor laws applicable are those prior to Law 50 of 1990, and who did not move to the new severance pay system. Under the plan, will be paid employees upon retirement a retroactive amount as severance pay, after deduction of advance payments. This social benefit is calculated over the entire time of service, based on the latest salary earned.

Such benefits are estimated on an annual basis or whenever there are material changes, using the projected credit unit. During the years ended December 31, 2022 and 2021, there were no material changes in the methods or nature of assumptions applied when preparing the estimates and sensitivity analyses.

Balances and movement:

The following are balances and movement of defined benefit plans:

	Retirement Pensions	Retroactive severance pay	Total
Balance at December 31, 2020	20,542	583	21,125
Cost of current service	-	15	15
Cost of past service	1,226	-	1,226
Interest expense	1,145	24	1,169
Actuarial loss (gain) from changes in experience	675	(57)	618
Actuarial loss from financial assumptions	(2,915)	(31)	(2,946)
Benefits paid	(2,242)	(172)	(2,414)
Balance at December 31, 2021	18,431	362	18,793
Cost of current service	-	11	11
Interest expense	1,468	26	1,494
Actuarial loss from changes in experience	395	40	435
Actuarial (gain) losses from financial assumptions	(2,577)	18	(2,559)
Benefits paid	(2,311)	(53)	(2,364)
Balance at December 31, 2022	15,406	404	15,810

Actuarial assumptions used for calculation:

Discount rates, salary increase rates, inflation rates and death dates are as follows:

	Year ended December 31,		Year ended December 31,	
	2022	2021	2022	2021
	Retirement pensions	Retroactive severance pay	Retirement pensions	Retroactive severance pay
Discount rate	13.07%	13.60%	8.50%	7.80%
Annual salary increase rate	5.5%	5.5%	3.50%	3.50%
Future annuities increase rate	4.5%	0.00%	3.50%	-
Annual inflation rate	5.5%	5.5%	3.50%	3.50%
Mortality rate - men (years)	60-62	60-62	60-62	60-62
Mortality rate - women (years)	55-57	55-57	55-57	55-57
Mortality rate - men	0.001117% - 0.034032%	0.001117% - 0.034032%	0.001117% - 0.034032%	0.001117% - 0.034032%
Mortality rate - women	0.000627% - 0.019177%	0.000627% - 0.019177%	0.000627% - 0.019177%	0.000627% - 0.019177%

Employee turnover, disability and early retirement rates:

Years of service	Year ended December 31,	
	2022	2021
From 0 to less than 5	20.56%	25.70%
From 5 to less than 10	10.01%	12.51%
From 10 to less than 15	5.89%	7.37%
From 15 to less than 20	4.39%	5.49%
From 20 to less than 25	3.37%	4.22%
25 and more	2.54%	3.18%

Sensitivity analysis:

A quantitative sensitivity analysis regarding a change in a relevant actuarial assumption, would affect in the following variation over defined benefit plans net liability, using for that sensitive analysis the assumptions for changes in discount rate and annual salary increase rate:

Variation expressed in basis points	Year ended December 31,			
	2022		2021	
	Retirement Pensions	Retroactive severance pay	Retirement Pensions	Retroactive severance pay
Discount rate + 25	(185)	(3)	(283)	(4)
Discount rate - 25	190	3	292	4
Discount rate + 50	(365)	(6)	(558)	(7)
Discount rate - 50	384	6	594	7
Discount rate + 100	(713)	(11)	(1,083)	(14)
Discount rate - 100	788	12	1,226	15
Annual salary increase rate + 25	N/A	5	N/A	7
Annual salary increase rate - 25	N/A	(5)	N/A	(7)
Annual salary increase rate + 50	N/A	10	N/A	13
Annual salary increase rate - 50	N/A	(10)	N/A	(13)
Annual salary increase rate + 100	N/A	20	N/A	27
Annual salary increase rate - 100	N/A	(19)	N/A	(26)

Contributions for the next years funded with the Company's own resources are foreseen as follows:

Year	Year ended December 31,			
	2022		2021	
	Retirement pensions	Retroactive severance pay	Retirement pensions	Retroactive severance pay
2022	-	-	2,256	5
2023	2,427	59	2,249	49
2024	2,437	4	2,218	4
2025	2,419	185	2,172	163
>2026	38,126	385	29,626	285
Total	45,409	633	38,521	506

Other considerations:

The average duration of the liability for defined benefit plans at December 31, 2022 is 5.5 years (December 31, 2021 - 6.8 years).

The Company has no specific assets intended for guaranteeing the defined benefit plans.

The defined contribution plan expense at December 31, 2022 amounted to \$51,728 (December 31, 2021 - \$46,125).

Note 20.2. Long-term benefit plans

The long-term benefit plans involve a time-of-service bonus associated to years of service payable to the employees.

Such benefit is estimated on an annual basis or whenever there are material changes, using the projected credit unit. During the years ended December 31, 2022 and December 31, 2021, there were no material changes in the methods or nature assumptions applied when preparing the estimates and sensitivity analyses.

During 2015, the Company reached agreement with several employees who voluntarily decided to replace the time-of-service bonus with a special single one-time bonus.

Balances and movement:

The following are balances and movement of the long-term defined benefit plan:

Balance at December 31, 2020	1,756
Cost of current service	73
Interest expense	88
Actuarial gain from change in experience	83
Benefits paid	(241)
Actuarial loss from financial assumptions	(186)
Balance at December 31, 2021	1,573
Cost of current service	63
Interest expense	115
Actuarial loss from change in experience	200
Actuarial loss from demographic change	34
Actuarial gain from financial assumptions	(127)
Cost of service past	(13)
Benefits paid	(317)
Balance at December 31, 2022	1,528

Actuarial assumptions used to make the calculations:

Discount rates, salary increase rates, inflation rates and death dates are as follows:

	Year ended December 31,	
	2022	2021
Discount rate	13.60%	8.10%
Annual salary increase rate	5.5%	3.50%
Annual inflation rate	5.5%	3.50%
Mortality rate - men	0.001117% - 0.034032%	0.001117% - 0.034032%
Mortality rate - women	0.000627% - 0.019177%	0.000627% - 0.019177%

Employee turnover, disability and early retirement rates are as follows:

Years of service	Year ended December 31,	
	2022	2021
From 0 to less than 5	20.56%	25.70%
From 5 to less than 10	10.01%	12.51%
From 10 to less than 15	5.89%	7.37%
From 15 to less than 20	4.39%	5.49%
From 20 to less than 25	3.37%	4.22%
25 and more	2.54%	3.18%

Sensitivity analysis:

A quantitative sensitivity analysis regarding a change in a relevant actuarial assumption, would affect in the following variation over long-term benefit plans net liability, using for that sensitive analysis the assumptions for changes in discount rate and annual salary increase rate:

Variation expressed in basis points	Year ended December 31,	
	2022	2021
Discount rate + 25	(15)	(18)
Discount rate - 25	15	18
Discount rate + 50	(29)	(36)
Discount rate - 50	30	38
Discount rate + 100	(58)	(71)
Discount rate - 100	62	77
Annual salary increase rate + 25	16	16
Annual salary increase rate - 25	(16)	(15)
Annual salary increase rate + 50	33	32
Annual salary increase rate - 50	(32)	(31)
Annual salary increase rate + 100	67	65
Annual salary increase rate - 100	(63)	(60)

Contributions for the next years funded with the Company's own resources are foreseen as follows:

Year	Year ended December 31,	
	2022	2021
2022	-	221
2023	207	169
2024	343	300
2025	373	319
>2026	2,009	1,498
Total	2,932	2,507

Other considerations:

The average duration of the liability for long-term benefits at December 31, 2022 is 4.3 years (December 31, 2021 - 5.1 years).

The Company has not devoted specific assets to guarantee payment of the time-of-service bonus.

The effect on the statement of profit or loss from the long-term benefit plan at December 31, 2022 was recognized as an income in the amount of \$96 (December 31, 2021 was recognized as an income in the amount of \$117).

Note 21. Provisions

The balance of provisions is shown below:

	Year ended December 31,	
	2022	2021
Legal proceedings (1)	12,695	12,835
Taxes other than income tax	3,578	3,407
Restructuring	10,457	878
Other	7,451	10,239
Total provisions	34,181	27,359
Current	19,870	16,368
Non-current	14,311	10,991

At December 31, 2022 and 2021, there are no provisions for onerous contracts.

- (1) Provisions for lawsuits are recognized to cover estimated potential losses arising from lawsuits brought against the Company, related to labor, civil, administrative and regulatory matters, which are assessed based on the best estimation of cash outflows required to settle a liability on the date of preparation of the financial statements. The balance is comprised of:

	Year ended December 31,	
	2022	2021
Labor legal proceedings	7,414	7,915
Civil legal proceedings	5,281	4,920
Total legal proceedings	12,695	12,835

Balances and movement of provisions during the reporting periods are as follows:

	Legal proceedings	Taxes other than income tax	Restructuring	Other	Total
Increase	12,028	-	12,793	14,399	39,220
Payments	(8,837)	-	(11,994)	(16,698)	(37,529)
Reversals (not used)	(3,395)	(3,273)	(1,103)	(548)	(8,319)
Other reclassifications	-	-	-	(40,862)	(40,862)
Balance at December 31, 2021	12,835	3,407	878	10,239	27,359
Increase	4,853	171	14,649	7,501	27,174
Payments	(2,088)	-	(4,946)	(9,424)	(16,458)
Reversals (not used)	(2,905)	-	(124)	(778)	(3,807)
Other reclassifications	-	-	-	(87)	(87)
Balance at December 31, 2022	12,695	3,578	10,457	7,451	34,181

Note 22. Trade payables and other payable

	Year ended December 31,	
	2022	2021
Payables to suppliers of goods	2,166,915	1,830,782
Payables and other payable - agreements (1)	1,485,281	1,861,551
Payables to other suppliers	314,017	268,280
Purchase of assets	169,766	112,340
Employee benefits	150,551	141,854
Withholding tax payable	52,622	49,919
Tax payable	5,757	1,067
Dividends payable	2,217	2,119
Other	42,590	31,742
Total trade payables and other payable	4,389,716	4,299,654
Current	4,319,342	4,249,804
Non-current	70,374	49,850

(1) The detail of payables and other payable - agreements is shown below:

	Year ended December 31,	
	2022	2021
Payables to suppliers of goods	1,438,494	1,767,641
Payables to other suppliers	46,787	93,910
Purchase of assets	-	-
Total payables and other payable - agreements	1,485,281	1,861,551

In Colombia, receivable anticipation transactions are initiated by suppliers who, at their sole discretion, choose the banks that will advance financial resources before invoice due dates, according to terms and conditions negotiated with the Company. The Company cannot direct a preferred or financially related bank to the supplier or refuse to carry out transactions, as local legislation ensures the supplier's right to freely transfer the title/receivable to any bank through endorsement. Therefore, there is no direct agreement between the Company and a bank or financial agent with the objective of structuring operations involving purchases or payments with its suppliers.

The Company has entered into agreements with some financial institutions in Colombia, which grant an additional payment period, without interest charges, so that the Company can reconcile information on receivables anticipated by suppliers and process other operational and administrative aspects given the significant volume of transactions, as well as allowing its Colombian suppliers to use lines of credit and anticipate their receivables arising from the sale of goods and services to the Company. The granting of additional time is a market practice in Colombia and is indiscriminately obtained by other retailers and players in other business segments in the country.

Note 23. Income tax

Note 23.1. Tax regulations applicable to the Company

- For taxable 2022 the income tax rate for legal entities is 35%. For taxable 2021 the income tax rate for legal entities is 31%.
- For 2021, the base to assess the income tax under the presumptive income model is 0% of the net equity held on the last day of the immediately preceding taxable period.

Law 2277 of December 13, 2022 – Tax reform for equality and social justice

The Congress of the Republic of Colombia approved on December 13, 2022 Law 2277 through which a tax reform for equality and social justice is adopted and other provisions are issued.

In relation to income tax, the following are the main modifications applicable to the Company that will come into effect as of 2023:

- Income tax and complementary:
 - The minimum tax rate calculated on financial profit may not be less than 15%, if so, it will increase by the percentage points required to reach the indicated effective rate;
 - 100% of the industry and commerce, notices and boards tax is deductible;
 - The benefits and tax incentives may not exceed 3% per year of ordinary net income;
 - The rate on occasional earnings for companies, national and foreign entities is 15%.
- Others:
 - Profits from the sale of shares listed on the stock market do not constitute income or occasional gain as long as said sale does not exceed 3% of the outstanding shares, during the same taxable year;
 - The tax on dividends distributed to natural persons residing in Colombia is 7.5%, for national companies it is 10% and for natural persons not residing in Colombia and foreign companies it is 20%, when such dividends have been taxed. at the head of the companies that distribute it;
 - The reacquisition of shares, participations or quotas of social interest by the companies that issue them constitutes ordinary liquid income for the partners, shareholders or participants.

Tax credits

Pursuant to tax regulations in force as of 2017, the time limit to offset tax losses is 12 years following the year in which the loss was incurred.

Excess presumptive income over ordinary income may be offset against ordinary net income assessed within the following five (5) years.

Company losses are not transferrable to shareholders. In no event tax losses arising from revenue other than income and occasional gains, and from costs and deductions not related with the generation of taxable income, will be offset against the taxpayer's net income.

At December 31, 2022, the Company has accrued \$211,190 (at December 31, 2021 - \$346,559) excess presumptive income over net income.

The movement of the Company excess presumptive income over net income during the reporting year is shown below:

Balance at December 31, 2020	518,013
Offsetting of presumptive income against net income for the period	(171,454)
Balance at December 31, 2021	346,559
Offsetting of presumptive income against net income for the period	(135,369)
Balance at December 31, 2022	211,190

At December 31, 2022, the Company has accrued tax losses amounting to \$740,337 (at December 31, 2021 - \$738,261).

The movement of tax losses at the Company during the reporting year is shown below:

Balance at December 31, 2020	738,261
Adjustment from prior periods	-
Balance at December 31, 2021	738,261
Adjustment from prior periods	2,076
Balance at December 31, 2022	740,337

Note 23.2. Current tax assets and liabilities

The balances of current tax assets and liabilities recognized in the statement of financial position are:

Current tax assets:

	Year ended December 31,	
	2022	2021
Income tax balance receivable	281,803	223,035
Tax discounts applied	109,241	84,490
Industry and trade tax advances and withholdings	62,801	55,573
Tax discounts from taxes paid abroad	24,631	23,899
Total current tax assets	478,476	386,997

Current tax liabilities

	Year ended December 31,	
	2022	2021
Industry and trade tax payable	91,804	75,722
Tax on real estate	1,762	516
Total current tax liabilities	92,846	76,238

Note 23.3. Income tax

The components of the income tax expense recognized in the statement of profit or loss were:

	Year ended December 31,	
	2022	2021
Deferred income tax (expense) (Note 23.4)	(105,636)	(28,482)
Current income tax (expense)	(57,836)	(71,716)
Current income tax (expense) paid abroad	(15,228)	-
Adjustment in respect of current income tax of prior periods	(9,082)	(94)
Descuento tributario ICA no usado	(5,292)	-
Total income tax (expense)	(193,074)	(100,292)

The reconciliation of average effective tax rate to applicable tax rate is shown below:

	Year ended December 31,		Rate
	2022	2021	
Profit before income tax from continuing operations	292,146	574,973	
Tax expense at enacted tax rate in Colombia	(102,251)	(178,241)	(31%)
Tax effect from changes in tax rates	(78,382)	36,134	
Local operations without fiscal impact	(15,561)	5,391	
Unrecognition deferred tax from prior periods	(5,758)	(11,638)	
Share of income in local joint ventures	8,151	48,062	
Tax impact of readjustment to carry forward losses	727	-	
Total income tax expense	(193,074)	(100,292)	(17%)

Note 23.4. Deferred tax

	Year ended December 31,		Deferred tax assets	Deferred tax liabilities
	2022	2021		
Lease liability	625,484	625,484	637,274	
Tax losses	259,118	259,118	258,391	
Excess presumptive income	73,917	73,917	121,296	
Tax credits	62,943	62,943	82,257	
Trade payables and other payables	43,797	43,797	8,392	
Investment property	-	(47,799)	-	
Buildings	-	(168,860)	-	
Goodwill	-	(218,308)	-	
Right of use asset	-	(553,457)	-	
Other	36,706	(53,381)	18,142	
Total	1,101,965	(1,041,805)	60,160	1,125,752

The movement of net deferred tax to the statement of profit or loss and the statement of comprehensive income is shown below:

	Year ended December 31,	
	2022	2021
(Expense) benefit from deferred tax recognized in income	(105,636)	(28,482)
(Expense) from deferred tax recognized in other comprehensive income	(24)	(5,982)
Total movement of net deferred tax	(105,660)	(34,464)

Temporary differences related to investments in subsidiaries, associates and joint ventures, for which no deferred tax liabilities have been recognized at December 31, 2022 amounted to \$1,963,199 (at December 31, 2021 - \$1,286,610).

Note 24. Derivative instruments and collections on behalf of third parties

	Year ended December 31,	
	2022	2021
Collections on behalf of third parties (1)	118,042	65,983
Derivative financial instruments (2)	5,404	592
Derivative financial instruments designated as hedge instruments (3)	-	242
Total	123,446	66,817

- (1) Collections on behalf of third parties includes amounts received for services where the Company acts as an agent, such as travel agency sales, card collections, money collected for subsidiaries as part of the in-house cash program and payments and banking services provided to customers.
 (2) The detail of maturities of these instruments at December 31, 2022 is shown below:

Derivative	Less than 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	3,149	2,255	-	-	5,404

The detail of maturities of these instruments at December 31, 2021 is shown below:

Derivative	Less than 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	309	283	-	-	592

- (3) At December 31, 2022 and 2021, swap transactions was used to hedge exchange and/or interest risks of financial liabilities taken to acquire property, plant and equipment.

The Company documents the hedge relationship and conduct effectiveness testing from initial recognition and over the time of the hedge relationship until its derecognition. No ineffectiveness has been identified during the reporting periods.

At December 31, 2021:

Hedge instrument	Nature of risk Hedged	Hedged item	Nature of the hedge	Range of rates for the hedged item	Range of rates for hedge instruments	Fair value
Swap	Interest rate	Loans and borrowings	Cash-flow hedge	IBR 3M	2.0545% - 2.145%	242

The detail of maturities of these hedge instruments is shown below:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Swap	-	242	-	-	-	242

Note 25. Other liabilities

The balance of other liabilities is shown below:

	Year ended December 31,	
	2022	2021
Deferred revenues (1)	143,074	165,046
Advance payments for fixed assets sold (2)	14,360	-
Advance payments under lease agreements and other projects	2,942	2,878
Repurchase coupon	942	99
Instalments received under "plan reservalo"	284	260
Total other liabilities	161,602	168,283
Current	159,191	166,116
Non-Current	2,411	2,167

- (1) Mainly relates to payments received for the future sale of products through means of payment, property leases and strategic alliances.
 (2) Corresponds to advance payment received for "galería la 33" fixed asset sold.

The movement of deferred revenue recognized during the reporting years, is shown below:

	Deferred revenue
Balance at December 31, 2020	121,967
Additions	1,079,437
Revenue recognized	(1,036,359)
Balance at December 31, 2021	165,046
Additions	1,261,176
Revenue recognized	(1,283,148)
Balance at December 31, 2022	143,074

Note 26. Shareholders' equity

At December 31, 2022 the Company authorized capital is represented in 1.590,000,000 common shares with a nominal value of \$3.3333 colombian pesos each. At December 31, 2021, the Company authorized capital is represented in 530,000,000 common shares with a nominal value of \$10 colombian pesos each.

The number of outstanding shares is 1.344.720.453 and the number of treasury shares reacquired is 46.856.094. Share were adjusted because of share's split process (Note 5).

The rights attached to the shares are speaking and voting rights per each share. No privileges have been granted on the shares, nor are the shares restricted in any way. Further, there are no option contracts on the Company shares.

The premium on placement of shares represents the surplus paid over the par value of the shares. Pursuant to Colombian legal regulations, this balance may be distributed as profits upon winding-up of the company, or upon capitalization of this value. Capitalization means the transfer of a portion of such premium to a capital account as result of the issue of a share-based dividend.

Reserves

Reserves are appropriations made by General Meeting of Shareholders on the results of prior periods. In addition to the legal reserve, there is an occasional reserve, a reserve for acquisition of treasury shares and a reserve for future dividend distribution.

Other accumulated comprehensive income

The tax effect on the components of other comprehensive income is shown below:

	Year ended December 31,					
	2022			2021		
	Gross value	Tax effect	Net value	Gross value	Tax effect	Net value
Loss from financial instruments designated at fair value through other Comprehensive income	(4,359)	-	(4,359)	(1,858)	-	(1,858)
Remeasurement on defined benefit plans	(917)	515	(402)	(3,582)	1,257	(2,325)
Translation exchange differences	(951,574)	-	(951,574)	(1,218,439)	-	(1,218,439)
Loss on hedge of net investment in foreign operations	(18,977)	-	(18,977)	(18,312)	(3,138)	(21,450)
Gain (loss) from cash-flow hedges	12,938	(4,528)	8,410	6,023	(2,108)	3,915
Total other accumulated comprehensive income	(962,889)	(4,013)	(966,902)	(1,236,168)	(3,989)	(1,240,157)

Note 27. Revenue from contracts with customers

The amount of revenue from contracts with customers is as shown:

	Year ended December 31,	
	2022	2021
Retail sales (1)	14,529,617	12,290,994
Service revenue (2)	322,564	284,278
Other revenue (3)	103,546	194,110
Total revenue from contracts with customers	14,955,727	12,769,382

(1) Retail sales represent the sale of goods and real estate projects net of returns and sales rebates. This amount includes the following items:

	Year ended December 31,	
	2022	2021
Retail sales, net of sales returns and rebates	14,500,852	12,234,233
Sale of real estate project inventories (a)	28,765	56,761
Total retail sales	14,529,617	12,290,994

(a) At December 31, 2022, represents the sale of a percentage of the Montevideo real estate project inventory in the amount of \$26,260 and the sale of a percentage of La Secreta real estate project inventory in the amount of \$2,505. At December 31, 2021, represents the sale of a percentage of the Montevideo real estate project inventory in the amount of \$56,306 and the sale of a percentage of La Secreta real estate project inventory in the amount of \$200.

(2) Revenues from services and rental income comprise:

	Year ended December 31,	
	2022	2021
Advertising	90,504	75,484
Distributors	76,165	85,993
Lease of real estate	41,386	23,928
Lease of physical space	33,221	23,500
Banking services	19,082	16,392
Commissions	18,686	17,924
Administration of real estate	16,500	13,211
Transport	9,729	14,336
Money transfers	8,753	7,474
Other services	8,538	6,036
Total service revenue	322,564	284,278

(3) Other revenue relates to:

	Year ended December 31,	
	2022	2021
Real estate projects (a)	61,204	86,489
Marketing events	19,405	18,305
Collaboration agreements (b)	4,809	63,742
Royalty revenue	7,170	14,526
Financial services	4,149	3,134
Technical assistance	1,620	1,452
Use of parking spaces	1,557	1,468
Other	3,632	4,994
Total other revenue	103,546	194,110

(a) For 2022, it corresponds mainly to the bonus received for operating results generated in real estate projects for \$32,948, to the bonus received to ensure the permanence in a leased property for \$6,000 and to income from compliance with commercial alliance goals for \$4,422. For 2021, it corresponds mainly to income from fees for the development and construction of real estate projects for \$74,938.

(b) Represents revenue from the following collaboration agreements:

	Year ended December 31,	
	2022	2021
Kiire	3,656	3,106
Éxito Media	1,153	1,586
Compañía de Financiamiento Tuya S.A.	-	59,050
Total revenue from collaboration agreements	4,809	63,742

Note 28. Distribution, administrative and selling expenses

The amount of distribution, administrative and selling expenses by nature is:

	Year ended December 31,	
	2022	2021
Employee benefits (Note 29)	730,630	672,567
Depreciation and amortization	397,609	370,151
Fuels and power	175,854	140,560
Taxes other than income tax	155,001	126,591
Repairs and maintenance	150,828	138,966
Advertising	102,284	93,283
Services	92,234	62,081
Professional fees	78,269	66,974
Security services	77,481	70,884
Leases	70,560	61,724
Commissions on debit and credit cards	68,516	50,924
Administration of trade premises	49,917	43,732
Cleaning services	44,005	41,683
Transport	43,646	42,899
Insurance	37,508	34,663
Packaging and marking materials	19,483	16,343
Impairment expense (Note 7.1)	15,516	22,732
Outsourced employees	14,674	11,530
Travel expenses	14,298	9,035
Commissions	13,986	9,687
Other provision expenses	11,604	17,944
Cleaning and cafeteria	9,534	8,315
Other commissions	8,602	6,920
Legal expenses	7,631	5,844
Stationery, supplies and forms	5,032	4,093
Ground transportation	4,208	5,398
Autos Éxito collaboration agreement	1,847	805
Other	212,437	154,723
Total distribution, administrative and selling expenses	2,613,194	2,291,051
Distribution expenses	1,672,447	1,436,206
Administrative and selling expenses	210,117	182,278
Employee benefit expenses	730,630	672,567

Note 29. Employee benefit expenses

The amount of employee benefit expenses incurred by each significant category is as follows:

	Year ended December 31,	
	2022	2021
Wages and salaries	613,366	563,686
Contributions to the social security system	9,263	8,383
Other short-term employee benefits	36,509	38,776
Total short-term employee benefit expenses	659,138	610,845
Post-employment benefit expenses, defined contribution plans	51,728	46,125
Post-employment benefit expenses, defined benefit plans	53	1,174
Total post-employment benefit expenses	51,781	47,299
Termination benefit expenses	1,424	449
Other long-term employee benefits	(96)	(117)
Other personnel expenses	18,383	14,091
Total employee benefit expenses	730,630	672,567

The cost of employee benefit include in cost of sales is shown in Note 10.2.

Note 30. Other operating expenses, net

	Year ended December 31,	
	2022	2021
Reversal of allowance for expected credit loss on trade receivables	15,807	18,173
Indemnification received from third parties	15,933	-
(Loss) gain from the early termination of lease contracts	6,413	(342)
Insurance compensation	2,637	2,300
Operating expenses	(42,724)	(15,504)
Restructuring expenses, net	(14,649)	(12,793)
Write-off of assets	(6,766)	(14,681)
Impairment loss on assets	(771)	(6,355)
Other	4,762	6,674
Total other operating expenses, net	(19,358)	(22,528)

Note 31. Financial income and cost

The amount of financial income and cost is as follows:

	Year ended December 31,	
	2022	2021
Gain from derivative financial instruments	103,688	53,548
Gain from exchange differences	48,916	21,703
Interest income on cash and cash equivalents (Note 7)	8,442	5,510
Interest from investment in finance leases	294	-
Other financial income	4,720	12,918
Total financial income	166,060	93,679
Loss from exchange differences	(159,804)	(73,641)
Interest expense on loan and borrowings	(108,526)	(46,162)
Interest expense on lease liabilities	(104,786)	(107,227)
Loss from derivative financial instruments	(28,456)	(16,343)
Commission expenses	(4,731)	(4,680)
Other financial expenses	(56,961)	(38,994)
Total financial cost	(463,264)	(287,047)
Net financial result	(297,204)	(73,641)

Note 32. Share of income in subsidiaries and joint ventures that are accounted for using the equity method

The share of income in subsidiaries and joint ventures that are accounted for using the equity method is as follows:

	Year ended December 31,	
	2022	2021
Spice Investments Mercosur S.A.	142,411	114,063
Patrimonio Autónomo Viva Malls	77,613	67,853
Éxito Industrias S.A.S.	32,630	21,718
Logística, Transportes y Servicios Asociados S.A.S.	6,108	4,141
Éxito Viajes y Turismo S.A.S.	4,342	2,160
Puntos Colombia S.A.S.	1,913	1,894
Depósitos y Soluciones Logísticas S.A.S.	115	(140)
Almacenes Éxito Inversiones S.A.S.	32	1,181
Gestión y Logística S.A.	2	(34)
Marketplace Internacional Éxito S.L.	-	(138)
Patrimonio Autónomo Iwana	(103)	(64)
Transacciones Energéticas S.A.S. E.S.P.	(248)	(851)
Marketplace Internacional Éxito y Servicios S.A.S.	(374)	396
Compañía de Financiamiento Tuya S.A.	(36,633)	5,340
Onper Investments 2015 S.L.	(93,572)	8,843
Total	134,236	226,362

Note 33. Earnings per share

Basic earnings per share are calculated based on the weighted average number of outstanding shares of each category during the year. There were no dilutive potential ordinary shares outstanding at the end of the reporting period.

The calculation of basic earnings per share for all periods presented has been adjusted retrospectively for the effects of the share split (Note 5).

	Year ended December 31,	
	2022	2021
Net profit attributable to shareholders	99,072	474,681
Weighted average of the number of ordinary shares attributable to earnings per share (basic and diluted)	1.297.864.359	1.297.864.359
Basic and diluted earnings per share (in Colombian pesos)	76.33	365.74

In total comprehensive income for the period:

	Year ended December 31,	
	2022	2021
Net profit attributable to the shareholders	372,327	585,186
Weighted average of the number of ordinary shares attributable to earnings per share (basic and diluted)	1.297.864.359	1.297.864.359
Basic and diluted earnings per share (in Colombian pesos)	286.88	450.88

Note 34. Impairment of assets

Note 34.1. Financial assets

No impairment losses on financial assets were identified at December 31, 2022 and 2021.

Note 34.2. Non-financial assets

December 31, 2022

The carrying amount of the groups of cash-generating units is made of property, plant and equipment, investment properties, other intangible assets, working capital items, the value of the equity of the subsidiaries domiciled in Colombia, Uruguay and Argentina, and the goodwill acquired through business combinations.

For the purposes of impairment testing, the goodwill obtained through business combinations, trademarks and the rights to exploit trade premises with indefinite useful lives were allocated to the following groups of cash-generating units:

	Groups of cash-generating units					Total
	Éxito	Carulla	Surtimax	Súper Ínter	Surtimayorista	
Goodwill (Note 16)	90,674	856,495	37,402	464,332	4,174	1,453,077
Trademarks with indefinite useful life (Note 13)	-	-	17,427	63,704	-	81,131
Rights with indefinite useful life (Note 13)	17,720	2,771	-	-	-	20,491

Even if trade establishments allocated to Surtimayorista cash-generating unit do not have goodwill acquired through business combinations, this value allocated for the purpose of impairment testing results from the change of stores in the Surtimax format to this new format; goodwill allocated to trade establishments of the Surtimax cash-generating unit comes from the business combination in 2007 under the merger with Carulla Vivero S.A. as disclosed in Note 16.

The method used for testing the impairment of cash generating units was the value in use given the difficulty of finding an active market that enables establishing the fair value of such intangible assets.

The recoverable amount of the cash generating units in Colombia and Uruguay was determined as their value in use.

The value in use was estimated based on the expected cash flows as forecasted by Company management over a five-year period, on the grounds of the price growth rate in Colombia and Uruguay (Consumer Price Index - CPI), trend analyses based on past results, expansion plans, strategic projects to increase sales, and optimization plans.

Cash flows beyond the five-year period were determined using a real growth rate of 0%. For the Company, this is a conservative approach that reflects the ordinary growth expected for the industry in absence of unexpected factors that might have an effect on growth.

The tax rate included in the forecast of cash flows is the rate at which Almacenes Éxito S.A. expects to pay its taxes during the next years. The tax rate used in the projection of cash flows of the Éxito, Carulla, Surtimax, Súper Ínter and Surtimayorista cash-generating units was 35% for 2023 onwards, which is the enacted rate in Colombia as at December 31, 2022.

Expected cash flows were discounted at the weighted average cost of capital (WACC) using a market indebtedness structure for the type of industry where the Company operates, which was 10.40% for 2022, 9.5% for 2023, 9.3% for 2024, 8.3% for 2025, 7.5% for 2026 and 7.4% for 2027 onwards.

The variables that have the greater impact on the determination of the value in use of the cash-generating units are the discount rate and the perpetual growth rate. These variables are defined as follows:

- (a) Growth rate in perpetuity: Nominal growth rates in perpetuity are the long-term inflation expectations for the relevant country, i.e. a real growth rate of zero. A decrease in real growth rates to below zero is not considered reasonably possible given cash flows are expected to increase at least in line with inflation, and up to 1% above inflation.
- (b) Discount rate: The estimation of the discount rate is based on an analysis of the market indebtedness for the Company; a change is deemed reasonable if the discount rate would increase by 1%, in which event no impairment in the value of the groups of cash-generating units would arise.

The impairment loss of property, plant and equipment is the book value that exceeds the recoverable value; in turn, the recoverable value is the higher of the value in use and the fair value less costs to sell. Assets are grouped into stores, which generate independent cash flows. The method used to calculate the recoverable value was the income approach (value in use) given its adequate approximation to the recoverable value of these assets.

As a result of the observation of signs of impairment loss and the application of the test, impairment was identified in part of Viva Calle 80 in the amount of \$241, as detail in Note 15. The impairment loss was recognized in profit or loss as detail in Note 30.

The method used to test the impairment loss of investment properties owned by the Company was the revenue approach given its proximity to the fair value of such real-estate property.

As result of the testing, there was impairment loss of local premises of Centro Comercial Viva Suba of \$530 as detail in Note 14. The impairment loss was recognized in profit or loss as detail in Note 30.

Except for the above, no impairment in the carrying amounts of cash-generating units was identified.

December 31, 2021

The carrying amount of the groups of cash-generating units is made of property, plant and equipment, investment properties, other intangible assets, net working capital items, the value of the equity of the subsidiaries domiciled in Colombia, Uruguay and Argentina and the goodwill and intangible assets acquired through business combinations.

For the purposes of impairment testing, the goodwill obtained through business combinations, trademarks and the rights to exploit trade premises with indefinite useful lives were allocated to the following groups of cash-generating units:

	Groups of cash-generating units					Total
	Éxito	Carulla	Surtimax	Súper Ínter	Surtimayorista	
Goodwill (Note 16)	90,674	856,495	37,402	464,332	4,174	1,453,077
Trademarks with indefinite useful life (Note 13)	-	-	17,427	63,704	-	81,131
Rights with indefinite useful life (Note 13)	17,720	2,771	-	-	-	20,491

Even if trade establishments allocated to Surtimayorista cash-generating unit do not have goodwill acquired through business combinations, this value allocated for the purpose of impairment testing results from the change of stores in the Surtimax format to this new format; goodwill allocated to trade establishments of the Surtimax cash-generating unit comes from the business combination in 2007 under the merger with Carulla Vivero S.A. as disclosed in Note 16.

The recoverable amount of the cash generating units was determined as their value in use.

The value in use was estimated based on the expected cash flows as forecasted by Company management over a five-year period, on the grounds of the price growth rate in Colombia.

Cash flows beyond the five-year period were determined using a real growth rate of 0%. For the Company, this is a conservative approach that reflects the ordinary growth expected for the industry in absence of unexpected factors that might have an effect on growth.

The tax rate included in the forecast of cash flows is the rate at which Éxito expects to pay its taxes during the next years. The tax rate used in the projection of cash flows of the Éxito, Carulla, Surtimax, Súper Ínter and Surtimayorista cash-generating units was 35% for 2022 onwards, which is the enacted rate in Colombia as at December 31, 2021.

Expected cash flows were discounted at the weighted average cost of capital (WACC) using a market indebtedness structure for the type of industry where Éxito operates, which was 7.40% for 2022 onwards.

The variables that have the greater impact on the determination of the value in use of the cash-generating units are the discount rate and the perpetual growth rate. These variables are defined as follows:

- (a) Growth rate in perpetuity: Nominal growth rates in perpetuity are the long-term inflation expectations for the relevant country, i.e. a real growth rate of zero. A decrease in real growth rates to below zero is not considered reasonably possible given cash flows are expected to increase at least in line with inflation, and up to 1% above inflation.
- (b) Discount rate: The estimation of the discount rate is based on an analysis of the market indebtedness for the Company; a change is deemed reasonable if the discount rate would increase by 1%, in which event no impairment in the value of the groups of cash-generating units would arise.

The impairment of property, plant and equipment is the book value that exceeds the recoverable value; in turn, the recoverable value is the higher of the value in use and the fair value less costs to sell.

Assets are grouped into stores, which generate independent cash flows. The recoverable amount was the value in use of the stores given its adequate approximation to the recoverable value of these assets.

As a result of signs of impairment and the application of this test, there was an impairment in the value of the trade premises of the Centro Comercial San Mateo in amount of \$756 and of the improvements in leased property of Carulla Torre del Reloj in amount of \$239, as detailed in Note 15; the impairment was properly accounted for with a charge to income for the period as detailed in Note 30.

The recoverable amount of investment properties owned by the Company was determined as their value in use stores given its adequate approximation to the recoverable value of these assets.

As a result of this test, the following properties were identified as impaired: Viva Suba \$2,591 and Surtimax Cota \$2,793 and recovery of impairment of the trade premises at Centro Comercial Pereira Plaza in amount of \$23 and Lote Rincón de las Lomas in amount of \$1, as detailed in Note 14; the impairment was properly accounted for with a charge to income for the period as detailed in Note 30.

Except for the above, no impairment in the carrying amounts of cash-generating units was identified.

Note 35. Fair value measurement

Below is a comparison of book values to fair values of financial assets and liabilities and non-financial assets and liabilities of the Company at December 31, 2021 and at December 31, 2020 on a periodic basis as required or permitted by an accounting policy; financial assets and liabilities whose carrying values are an approximation of fair values are excluded, considering that they mature in the short term (in less than or up to one year), namely: trade receivables and other debtors, trade payables and other creditors, collections on behalf of third parties and short-term financial liabilities.

	Year ended December 31,			
	2022		2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Trade receivables and other accounts receivable at amortized cost	19,550	18,001	22,363	20,871
Investment in bonds (Note 11)	-	-	5,046	4,978
Equity investments	10,676	10,676	10,676	10,676
Forward contracts measured at fair value through income (Note 11)	27,300	27,300	11,057	11,057
Derivative swap contracts denominated as hedge instruments (Note 11)	14,480	14,480	6,023	6,023
Investments in private equity funds	426	426	1,476	1,476
Non-financial assets				
Investment property (Note 14)	83,420	165,477	78,586	169,930
Property, plant and equipment, and investment property held for sale (Note 40)	3,925	6,692	8,261	12,066
Financial liabilities				
Loans and borrowings (Note 19)	791,098	780,917	878,268	875,315
Forward contracts measured at fair value through income (Note 24)	5,404	5,404	592	592
Swap contracts denominated as hedge instruments (Note 24)	-	-	242	242

The following methods and assumptions were used to estimate the fair values:

	Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
Assets				
Loans at amortized cost	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for loans under similar conditions on the date of measurement in accordance with maturity days.	Commercial rate of banking institutions for consumption receivables without credit card for similar term horizons. Commercial rate for housing loans for similar term horizons. N/A
Investments in private equity funds	Level 2	Unit value	The value of the fund unit is given by the preclosing value for the day, divided by the total number of fund units at the closing of operations for the day. The fund administrator appraises the assets daily.	
Forward contracts measured at fair value through income	Level 2	Colombian Peso-US Dollar forward	The difference is measured between the forward agreed-upon rate and the forward rate on the date of valuation relevant to the remaining term of the derivative financial instrument and discounted at present value using a zero-coupon interest rate. The forward rate is based on the average price quoted for the two-way closing price ("bid" and "ask").	Peso/US Dollar exchange rate set out in the forward contract. Market representative exchange rate on the date of valuation. Forward points of the Peso-US Dollar forward market on the date of valuation. Number of days between valuation date and maturity date. Zero-coupon interest rate.
Swap contracts measured at fair value through income	Level 2	Operating cash flows forecast model	The method uses swap cash flows, forecasted using treasury security curves of the State that issues the currency in which each flow has been expressed, for further discount at present value, using swap market rates disclosed by the relevant authorities of each country. The difference between cash inflows and cash outflows represents the swap net value at the closing under analysis.	Reference Banking Index Curve (RBI) 3 months. Zero-coupon curve. Swap LIBOR curve. Treasury Bond curve. 12-month CPI
Equity investments	Level 2	Market quote prices	The fair value of such investments is determined as reference to the prices listed in active markets if companies are listed; in all other cases, the investments are measured at the deemed cost as reported in the opening balance sheet, considering that the effect is immaterial and that carrying out a measurement using a valuation technique commonly used by market participants may generate costs higher than the value of benefits.	N/A
Investment in bonds	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for investments under similar conditions on the date of measurement in accordance with maturity days.	CPI 12 months + Basis points negotiated
Investment property	Level 2	Comparison or market method	This technique involves establishing the fair value of goods from a survey of recent offers or transactions for goods that are similar and comparable to those being appraised.	N/A
Investment property	Level 3	Discounted cash flows method	This technique provides the opportunity to identify the increase in revenue over a previously defined period of the investment. Property value is equivalent to the discounted value of future benefits. Such benefits represent annual cash flows (both, positive and negative) over a	Discount rate (10% - 14%) Vacancy rate (0% - 54.45%) Terminal capitalization rate (7.5% - 8.5%)

	Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
Assets				
			period, plus the net gain arising from the hypothetical sale of the property at the end of the investment period.	
Investment property	Level 3	Realizable-value method	This technique is used whenever the property is suitable for urban movement, applied from an estimation of total sales of a project under construction, pursuant to urban legal regulations in force and in accordance with the final saleable asset market.	Realizable value
Investment property	Level 3	Replacement cost method	The valuation method consists in calculating the value of a brand-new property, built at the date of the report, having the same quality and comforts as that under evaluation. Such value is called replacement value; then an analysis is made of property impairment arising from the passing of time and the careful or careless maintenance the property has received, which is called depreciation.	Physical value of building and land.
Non-current assets classified as held for trading	Level 2	Realizable-value method	This technique is used whenever the property is suitable for urban development, applied from an estimation of total sales of a project under construction, pursuant to urban legal regulations in force and in accordance with the final saleable asset market.	Realizable Value

	Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
Liabilities				
Financial liabilities measured at amortized cost	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for loans under similar conditions on the date of measurement in accordance with maturity days.	Reference Banking Index (RBI) + Negotiated basis points. LIBOR rate + Negotiated basis points.
Swap contracts measured at fair value through income	Level 2	Operating cash flows forecast model	The method uses swap cash flows, forecasted using treasury security curves of the State that issues the currency in which each flow has been expressed, for further discount at present value, using swap market rates disclosed by the relevant authorities of each country. The difference between cash inflows and cash outflows represents the swap net value at the closing under analysis.	Reference Banking Index Curve (RBI) 3 months. Zero-coupon curve. Swap LIBOR curve. Treasury Bond curve. 12-month CPI
Derivative instruments measured at fair value through income	Level 2	Colombian Peso-US Dollar forward	The difference is measured between the forward agreed upon rate and the forward rate on the date of valuation relevant to the remaining term of the derivative financial instrument and discounted at present value using a zero-coupon interest rate. The forward rate is based on the average price quoted for the two-way closing price ("bid" and "ask").	Peso/US Dollar exchange rate set out in the forward contract. Market representative exchange rate on the date of valuation. Forward points of the Peso-US Dollar forward market on the date of valuation. Number of days between valuation date and maturity date. Zero-coupon interest rate.
Derivative swap contracts denominated as hedge instruments	Level 2	Discounted cash flows method	The fair value is calculated based on forecasted future cash flows provided by the operation upon market curves and discounting them at present value, using swap market rates.	Swap curves calculated by Forex Finance Market Representative Exchange Rate (TRM)
Lease liabilities	Level 2	Discounted cash flows method	Future cash flows of lease contracts are discounted using the market rate for loans in similar conditions on contract start date in accordance with the non-cancellable minimum term.	Reference Banking Index (RBI) + basis points in accordance with risk profile.

Changes in hierarchies may occur if new information is available, certain information used for valuation is no longer available, there are changes resulting in the improvement of valuation techniques or changes in market conditions.

There were no transfers between level 1 and level 2 hierarchies during the year ended December 31, 2022.

Note 36. Contingent assets and liabilities

Note 36.1. Activos contingentes

Al 31 de diciembre de 2022 y al 31 de diciembre de 2021 la Compañía no posee activos contingentes significativos.

Note 36.2. Pasivos contingentes

Contingent liabilities at December 31, 2022 and 2021 are:

- (a) The following proceedings are underway, seeking that the Company be exempted from paying the amounts claimed by the complainant entity:
- Administrative discussion with DIAN amounting to \$35,705 (December 31, 2021 - \$32,225) regarding notice of special requirement 112382018000126 of September 17, 2018 informing of a proposal to amend the 2015 income tax return. In September 2021, the Company received a new notice from DIAN, confirming their proposal. However, external advisors regard the proceeding as a contingent liability.
 - Nullity of resolution-fine dated September 2020 ordering reimbursement of the balance receivable assessed in the income tax for taxable 2015 in amount of \$2.211 (December 31, 2021 - \$-).

Note 38. Seasonality of transactions

The Company's operation cycles indicate certain seasonality in operating and financial results there is a concentration during the last quarter of the year, mainly because of Christmas and "Special Price Days", which is the second most important promotional event of the year.

Note 39. Financial risk management policy

At December 31, 2022 and 2021 the Company's financial instruments were comprised of:

	Year ended December 31,	
	2022	2021
Financial assets		
Cash and cash equivalents (Note 6)	1,250,398	2,063,528
Trade receivables and other accounts receivable (Note 7)	532,067	491,291
Accounts receivable from related parties (Note 9) (1)	59,416	141,785
Financial assets (Note 11)	52,882	34,278
Total financial assets	1,894,763	2,730,882
Financial liabilities		
Loans and borrowings (Note 19)	791,098	878,268
Accounts payable to related parties (Note 9) (1)	225,234	183,295
Trade payables and other accounts payable (Note 22)	4,389,716	4,299,654
Lease liabilities (Note 12)	1,787,096	1,820,785
Derivative instruments and collections on behalf of third parties (Note 24)	123,446	66,817
Total financial liabilities	7,316,590	7,248,819

Cash and cash equivalents

The credit risk arising from balances with banks and financial entities is managed pursuant to corporate policies defined for such purpose. Surplus funds are only invested with counterparties approved by the Board of Directors and within previously established jurisdictions. On an ongoing basis, management reviews the general financial conditions of counterparties, assessing the most significant financial ratios and market ratings.

Trade receivables and other accounts receivable

The credit risk associated with trade receivables is low given that most of the Company's sales are cash sales (cash and credit cards) and financing activities are conducted under trade agreements that reduce the Company's exposure to risk. In addition, there are administrative collections departments that permanently monitor ratios, figures, payment behaviors and risk models by each third party. There are no trade receivables that individually are equivalent to or exceed 5% of accounts receivable or sales, respectively.

Collaterals

The Company does not grant guarantees, collaterals or letters of credit, or issues filled-in or blank securities, or other liens or contingent rights in favor of third parties. Exceptionally, the Company may impose liens, depending on the relevancy of the business, the amount of the contingent liability and the benefit. In addition, there are certain promissory notes used in the regular course of the operation with banks and treasury. As of December 31, 2022, the Company was a guarantor in favor of its subsidiary Almacenes Éxito Inversiones S.A.S. in the amount of \$2,935 to cover potential default of its obligations, acts as joint and several debtor of subsidiary Patrimonio Autónomo Centro Comercial Viva Barranquilla at the request of some insurance companies and as a requirement for the issuance of compliance bonds.

b. Market risk

Market risk is the risk that changes in market prices, namely changes in exchange rates, interest rates or stock prices, have a negative effect on the Company's revenue or on the value of the financial instruments it holds. The purpose of market risk management is to manage and control exposure to this risk within reasonable parameters while optimizing profitability.

Interest rate risk

Interest rate risk is the risk that the fair value of financial assets and liabilities, or the future cash flows of financial instruments, fluctuate due to changes in market interest rates. The Company's exposure to interest rate risk is mainly related to debt obligations incurred at variable interest rates or indexed to an index beyond the control of the Company.

Most of the Company's financial liabilities are indexed to market variable rates. To manage the risk, the Company performs financial exchange transactions via derivative financial instruments (interest rate swaps) with previously approved financial institutions, under which they agree on exchanging, at specific intervals, the difference between the amounts of fixed interest rates and variable interest rates estimated over an agreed upon nominal principal amount, which turns variable rates into fixed rates and cash flows may then be determined.

Currency risk

Currency risk is the risk that the fair value or future cash flows of financial instruments fluctuate due to changes in exchange rates. The Company's exposure to exchange rate risk is attached to passive transactions in foreign currency associated with long-term debt liabilities and with The Company's operating activities (whenever revenue and expenses are denominated in a currency other than the functional currency), as well as with The Company's net investments abroad.

The Company manages its exchange rate risk via derivative financial instruments (namely forwards and swaps) whenever such instruments are efficient to mitigate volatility.

When exposed to unprotected currency risk, the Company's policy is to contract derivative instruments that correlate with the terms of the underlying elements that are unprotected. Not all financial derivatives are classified as hedging transactions; however, the Company's policy is not to carry out transactions for speculation.

At December 31, 2022 and 2021, the Company had hedged almost 100% of their purchases and liabilities in foreign currency.

c. Liquidity risk

Liquidity risk is the risk that the Company faces difficulties to fulfil its obligations associated with financial liabilities, which are settled by delivery of cash or other financial assets. The Company's approach to manage liquidity is to ensure, in as much as possible, that it will always have the necessary liquidity to meet its obligations without incurring unacceptable losses or reputational risk.

The Company manages liquidity risks by daily monitoring its cash flows and maturities of financial assets and liabilities, and by maintaining proper relations with the relevant financial institutions.

The Company maintains a balance between business continuity and the use of financing sources through short-term and long-term bank loans according to requirements, unused credit lines available from financial institutions, among other mechanisms. At December 31, 2022 approximately 32% of the Company's debt will mature in less than one year (December 31, 2021 - 16%) considering the carrying amount of borrowings included in the accompanying financial statements.

The Company's liquidity risk is considered to be low as there is no significant restriction for the payment of financial liabilities settling within twelve months from the reporting date. The Company has access to unused lines of credit.

The following table shows a profile of maturities of the Company's financial liabilities based on non-discounted contractual payments arising from the relevant agreements.

At December 31, 2022	Less than 1 year	From 1 to 5 years	More than 5 years	Total
Other relevant contractual liabilities	265,489	666,882	50,960	983,331

At December 31, 2021	Less than 1 year	From 1 to 5 years	More than 5 years	Total
Other relevant contractual liabilities	139,774	772,052	83,445	995,271

Sensitivity analysis for 2022 balances

The Company assessed the potential changes in interest rates of financial liabilities and other significant contract liabilities.

Assuming complete normality and considering 10% variation in interest rates, three scenarios have been assessed:

- Scenario I: Latest interest rates known at the end of 2022.
- Scenario II: An increase of 1.1660% was assumed for the Banking Reference Rate. This increase was on the latest published interest rate.
- Scenario III: A decrease of 1.1660% was assumed for the Banking Reference Rate. This reduction was on the latest published interest rate.

The sensitivity analysis did not result in significant variance among the three scenarios. Potential changes are as follows:

Operations	Risk	Balance at December 31, 2022	Market forecast		
			Scenario I	Scenario II	Scenario III
Borrowings	Changes in interest rates	791,098	795,092	807,866	782,319

d. Derivative financial instruments

The Company uses derivative financial instruments to hedge risk exposure, with the main purpose of hedging exposure to interest rate risk and exchange rate risk, fixing the interest and exchange rates of the financial debt.

At December 31, 2022, the reference value of these contracts amounted to COP \$355.458 million (interest rate swaps), USD 125.5 million y EUR 14.11 million (December 31, 2021 – COP \$302.710 million, USD 104.5 million and EUR 6.83 million). Such transactions are generally contracted under identical conditions regarding amounts, terms and transaction costs and, preferably, with the same financial institutions, always in compliance with the Company's limits and policies.

The Company has designed and implemented internal controls to ensure that these transactions are carried out in compliance with its policies.

e. Fair value of derivative financial instruments

The fair value of derivative financial instruments is estimated under the operating cash flow forecast model, using government treasury security curves in the country and discounting them at present value, using market rates for swaps as disclosed by the relevant authorities in such countries.

Swap market values were obtained by applying market exchange rates valid on the date of the financial information available, and the rates are forecasted by the market based on currency discount curves. A convention of 365 consecutive days was used to calculate the coupon of foreign currency indexed positions.

f. Insurance policies

At December 31, 2021, the Company have acquired the following insurance policies to mitigate the risks associated with the entire operation:

Insurance lines of coverage	Coverage limits	Coverage
All risk, damages and loss of profits	In accordance with replacement and reconstruction amounts, with a maximum limit of liability for each policy.	Losses or sudden and unforeseen damage and incidental damage sustained by covered property, directly arising from any event not expressly excluded. Covers buildings, furniture and fixtures, machinery and equipment, goods, electronic equipment, facility improvements, loss of profits and other property of the insured party.
Transport of goods and money	In accordance with the statement of transported values and a maximum limit per dispatch. Differential limits and sub-limits apply by coverage.	Property and goods owned by the insured that are in transit, including those on which it has an insurable interest.
Third party liability	Differential limits and sub-limits apply by coverage.	Covers damages to third parties in development of the operation.
Director's and officers' third party liability insurance	Differential limits and sub-limits apply by coverage.	Covers claims against directors and officers arising from error or omission while in office.
Deception and financial risks	Differential limits and sub-limits apply by coverage.	Loss of money or securities in premises or in transit. Willful misconduct of employees that result in financial loss.
Group life insurance and personal accident insurance	The insured amount relates to the number of wages defined by the Company.	Death and total and permanent disability arising from natural or accidental events.
Vehicles	There is a defined ceiling per each coverage	Third party liability. Total and partial loss - Damages. Total and partial loss - Theft Earthquake Other coverages as described in the policy.
Cyber risk	Differential limits and sub-limits apply by coverage.	Direct losses arising from malicious access to the network and indirect losses from third party liability whose personal data have been affected by an event covered by the policy.

Note 40. Assets held for sale and discontinued operations

The Company management started a plan to sell certain property seeking to structure projects that allow using such real estate property, increase the potential future selling price and generate resources to the Company. Consequently, certain investment property was classified as assets held for sale.

The balance of assets held for sale, included in the statement of financial position, is shown below:

	Year ended December 31,	
	2022	2021
Investment property	3,925	8,261

Note 41. Subsequent events

No events have occurred subsequent to the date of the reporting period that entail significant changes in the financial position and the operations of the Company due to their relevance, are required to be disclosed in the financial statements.

Almacenes Éxito S.A.

Separate financial statements

At December 31, 2022 and 2021

Almacenes Éxito S.A.

Separate financial statements

At December 31, 2022 and 2021

Almacenes Éxito S.A.

Separate financial statements

At December 31, 2022 and 2021



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INFORME DEL REVISOR FISCAL

Señores Accionistas
Almacenes Éxito S.A.:

Opinión

He auditado los estados financieros consolidados de Almacenes Éxito S.A. y Subordinadas (el Grupo), los cuales comprenden el estado consolidado de situación financiera al 31 de diciembre de 2022 y los estados consolidados de resultados y de resultados integrales, de cambios en el patrimonio y de flujos de efectivo por el año que terminó en esa fecha y sus respectivas notas, que incluyen las políticas contables significativas y otra información explicativa.

En mi opinión, los estados financieros consolidados que se mencionan y adjuntos a este informe, presentan razonablemente, en todos los aspectos de importancia material, la situación financiera consolidada del Grupo al 31 de diciembre de 2022, los resultados consolidados de sus operaciones y sus flujos consolidados de efectivo por el año que terminó en esa fecha, de acuerdo con Normas de Contabilidad y de Información Financiera aceptadas en Colombia, aplicadas de manera uniforme con el año anterior.

Bases para la opinión

Efectué mi auditoría de conformidad con las Normas Internacionales de Auditoría aceptadas en Colombia (NIAs). Mis responsabilidades de acuerdo con esas normas son descritas en la sección “Responsabilidades del revisor fiscal en relación con la auditoría de los estados financieros consolidados” de mi informe. Soy independiente con respecto al Grupo, de acuerdo con el Código de Ética para profesionales de la Contabilidad emitido por el Consejo de Normas Internacionales de Ética para Contadores (Código IESBA - *International Ethics Standards Board for Accountants*, por sus siglas en inglés) incluido en las Normas de Aseguramiento de la Información aceptadas en Colombia junto con los requerimientos éticos que son relevantes para mi auditoría de los estados financieros consolidados establecidos en Colombia y he cumplido con mis otras responsabilidades éticas de acuerdo con estos requerimientos y el Código IESBA mencionado. Considero que la evidencia de auditoría que he obtenido es suficiente y apropiada para fundamentar mi opinión.

Párrafo de énfasis

Llamo la atención sobre la nota 43 a los estados financieros consolidados, la cual indica que la información comparativa por el año terminado el 31 de diciembre de 2021 ha sido re-expresada para corregir la presentación del estado de flujos de efectivo consolidado. Mi opinión no se modifica en relación con este asunto.

Asuntos clave de auditoría

Asuntos clave de auditoría son aquellos que, según mi juicio profesional, fueron de la mayor importancia en mi auditoría de los estados financieros consolidados del período corriente. Estos asuntos fueron abordados en el contexto de mi auditoría de los estados financieros consolidados como un todo y al formarme mi opinión al respecto, y no proporciono una opinión separada sobre estos asuntos.

Evaluación del deterioro de plusvalía y otros activos intangibles con vida útil indefinida (ver notas 14 y 17 a los estados financieros consolidados)	
Asunto clave de Auditoría	Cómo fue abordado en la auditoría
El estado de situación financiera consolidado del Grupo incluye una plusvalía por \$3.484.303 millones y otros activos intangibles con vida útil indefinida (marcas y derechos) por \$324.391 millones, derivado de adquisiciones efectuadas en años anteriores, sobre las cuales se requiere una evaluación de deterioro anualmente de acuerdo con la NIC 36 - Deterioro del Valor de los Activos. Lo anterior representa un asunto clave de auditoría debido a la materialidad de los saldos de la plusvalía y otros activos intangibles con vida útil indefinida, y porque involucra juicios complejos y subjetivos realizados por el Grupo con relación al crecimiento de las ventas a largo plazo, los costos y márgenes de operación proyectados en las diferentes regiones donde opera el Grupo, así como en la determinación de las tasas de descuento utilizadas para descontar los flujos de efectivo futuros.	Mis procedimientos de auditoría para la evaluación del deterioro de la plusvalía y otros activos intangibles con vida útil indefinida incluyeron, entre otros, los siguientes: - Involucramiento de profesionales con conocimiento y experiencia relevante en la industria que me asistieron en: (1) evaluar los supuestos claves utilizados en las pruebas de deterioro realizadas por el Grupo, incluidos los datos de entrada, (2) efectuar recálculos independientes soportados con información obtenida de fuentes externas sobre las tasas de descuento y las variables macroeconómicas utilizadas, y (3) comparar el resultado de los cálculos obtenidos con los realizados por el Grupo. - Comparación del presupuesto del año anterior con los datos reales, para verificar el grado de cumplimiento y, consecuentemente, la precisión de las proyecciones realizadas por la administración del Grupo. - Evaluación de si las revelaciones incluidas en las notas a los estados financieros consolidados son apropiadas de acuerdo con la NIC 36.



Evaluación de la existencia y exactitud de descuentos y rebajas en compras (Ver nota 11 a los estados financieros consolidados)	
Asunto clave de Auditoría	Cómo fue abordado en la auditoría
El Grupo tiene reconocido en el estado de resultados consolidado descuentos y rebajas en compras por \$2.490.381 millones, originados por negociaciones con proveedores principalmente por volumen de compras. Los descuentos y rebajas recibidos de los proveedores se reconocen como un menor valor de las cuentas comerciales por pagar y del costo de ventas correspondiente a los bienes vendidos en el período. Consideré como asunto clave de auditoría la evaluación de la existencia y exactitud de los descuentos y rebajas en compras debido al gran número de acuerdos individuales y al esfuerzo de auditoría requerido para evaluar si los descuentos y rebajas se contabilizaban de acuerdo con los términos contractuales establecidos con cada proveedor.	Mis procedimientos de auditoría para evaluar la existencia y exactitud de los descuentos y rebajas en compras incluyeron, entre otros, los siguientes: 1) Sobre los descuentos y rebajas en compras reconocidos en el año, se seleccionó una muestra para validar la aprobación de los acuerdos de negociación, por parte del Grupo y de los proveedores. (2) Sobre la muestra del punto anterior se comparó contra el acuerdo de negociación correspondiente, la naturaleza del descuento, las bases de liquidación y las tarifas pactadas en los mismos, con el fin de efectuar un recálculo del descuento aplicado y las cuentas contables afectadas. (3) Realicé confirmación a una muestra de los descuentos y rebajas en compras por compensar al 31 de diciembre de 2022 para validar la existencia y exactitud de estos saldos, y sobre las respuestas no recibidas realicé procedimientos alternos.

Otros asuntos

Los estados financieros consolidados del Grupo al y por el año terminado el 31 de diciembre de 2021 se presentan exclusivamente para fines de comparación y, excluyendo los ajustes descritos en la nota 43 a los estados financieros consolidados, fueron auditados por otro contador público quien en su informe de fecha 23 de febrero de 2022, expresó una opinión sin salvedades sobre los mismos.

Como parte de mi auditoría a los estados financieros consolidados al y por el año terminado el 31 de diciembre de 2022, audité los ajustes descritos en la nota 43, que fueron aplicados para re-expresar la información comparativa presentada por el año que terminó el 31 de diciembre de 2021 del estado de flujos de efectivo consolidado. No fui contratado para auditar, revisar o aplicar cualquier procedimiento a los estados financieros consolidados al y por el año terminado al 31 de diciembre de 2021, diferente de los relacionados con los ajustes descritos en la nota 43 a los estados financieros consolidados. Consecuentemente, no expreso una opinión o cualquier forma de aseguramiento sobre estos estados financieros consolidados tomados en conjunto. Sin embargo, en mi opinión, los ajustes descritos en dicha nota son apropiados y han sido adecuadamente aplicados.



Otra información

La administración es responsable de la otra información. La otra información comprende la información incluida en el Reporte Integrado, pero no incluye los estados financieros consolidados y mi informe de auditoría correspondiente. La información contenida en el Reporte Integrado se espera esté disponible para mí después de la fecha de este informe de auditoría

Mi opinión sobre los estados financieros consolidados no cubre la otra información y no expreso ninguna forma de conclusión de aseguramiento sobre esta.

En relación con mi auditoría de los estados financieros consolidados, mi responsabilidad es leer la otra información y, al hacerlo, considerar si existe una incongruencia material entre esa información y los estados financieros consolidados o mi conocimiento obtenido en la auditoría, o si de algún modo, parece que existe una incorrección material.

Cuando lea el contenido del Reporte Integrado si concluyo que existe un error material en esa otra información, estoy obligado a informar este hecho a los encargados del gobierno corporativo.

Responsabilidad de la administración y de los encargados del gobierno corporativo del Grupo en relación con los estados financieros consolidados

La administración es responsable por la preparación y presentación razonable de estos estados financieros consolidados de acuerdo con Normas de Contabilidad y de Información Financiera aceptadas en Colombia. Esta responsabilidad incluye: diseñar, implementar y mantener el control interno que la administración considere necesario para permitir la preparación de estados financieros consolidados libres de errores de importancia material, bien sea por fraude o error; seleccionar y aplicar las políticas contables apropiadas, así como establecer los estimados contables razonables en las circunstancias.

En la preparación de los estados financieros consolidados, la administración es responsable por la evaluación de la habilidad del Grupo para continuar como un negocio en marcha, de revelar, según sea aplicable, asuntos relacionados con la continuidad del mismo y de usar la base contable de negocio en marcha a menos que la administración pretenda liquidar el Grupo o cesar sus operaciones, o bien no exista otra alternativa más realista que proceder de una de estas formas.

Los encargados del gobierno corporativo son responsables por la supervisión del proceso de reportes de información financiera del Grupo.

Responsabilidades del revisor fiscal en relación con la auditoría de los estados financieros consolidados

Mis objetivos son obtener una seguridad razonable sobre si los estados financieros consolidados considerados como un todo, están libres de errores de importancia material bien sea por fraude o error, y emitir un informe de auditoría que incluya mi opinión. Seguridad razonable significa un alto nivel de aseguramiento, pero no es una garantía de que una auditoría efectuada de acuerdo con NIAs siempre detectará un error material, cuando este exista. Los errores pueden surgir debido a

fraude o error y son considerados materiales si, individualmente o en agregado, se podría razonablemente esperar que influyan en las decisiones económicas de los usuarios, tomadas sobre la base de estos estados financieros consolidados.

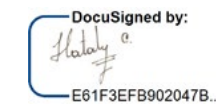
Como parte de una auditoría efectuada de acuerdo con NIAs, ejerzo mi juicio profesional y mantengo escepticismo profesional durante la auditoría. También:

- Identifico y evalúo los riesgos de error material en los estados financieros consolidados, bien sea por fraude o error, diseño y realizo procedimientos de auditoría en respuesta a estos riesgos y obtengo evidencia de auditoría que sea suficiente y apropiada para fundamentar mi opinión. El riesgo de no detectar un error material resultante de fraude es mayor que aquel que surge de un error, debido a que el fraude puede involucrar colusión, falsificación, omisiones intencionales, representaciones engañosas o la anulación o sobrepaso del control interno.
- Obtengo un entendimiento del control interno relevante para la auditoría con el objetivo de diseñar procedimientos de auditoría que sean apropiados en las circunstancias.
- Evalúo lo apropiado de las políticas contables utilizadas y la razonabilidad de los estimados contables y de las revelaciones relacionadas, realizadas por la administración.
- Concluyo sobre lo adecuado del uso de la hipótesis de negocio en marcha por parte de la administración y, basado en la evidencia de auditoría obtenida, sobre si existe o no una incertidumbre material relacionada con eventos o condiciones que puedan indicar dudas significativas sobre la habilidad del Grupo para continuar como negocio en marcha. Si concluyera que existe una incertidumbre material, debo llamar la atención en mi informe a la revelación que describa esta situación en los estados financieros consolidados o, si esta revelación es inadecuada, debo modificar mi opinión. Mis conclusiones están basadas en la evidencia de auditoría obtenida hasta la fecha de mi informe. No obstante, eventos o condiciones futuras pueden causar que el Grupo deje de operar como un negocio en marcha.
- Evalúo la presentación general, estructura y contenido de los estados financieros consolidados, incluyendo las revelaciones, y si los estados financieros consolidados presentan las transacciones y eventos subyacentes para lograr una presentación razonable.
- Obtengo evidencia de auditoría suficiente y apropiada respecto de la información financiera de las entidades o actividades de negocios dentro del Grupo para expresar una opinión sobre los estados financieros consolidados. Soy responsable por la dirección, supervisión y realización de la auditoría del Grupo. Sigo siendo el único responsable por mi opinión de auditoría.

Comunico a los encargados del gobierno del Grupo, entre otros asuntos, el alcance planeado y la oportunidad para la auditoría, así como los hallazgos de auditoría significativos, incluyendo cualquier deficiencia significativa en el control interno que identifique durante mi auditoría.

También proporciono a los encargados del gobierno corporativo la confirmación de que he cumplido con los requerimientos éticos relevantes de independencia y que les he comunicado todas las relaciones y otros asuntos que razonablemente se pueda considerar que influyen en mi independencia y, cuando corresponda, las salvaguardas relacionadas.

A partir de los asuntos comunicados con los encargados del gobierno corporativo, determino los asuntos que fueron de la mayor importancia en la auditoría de los estados financieros consolidados del período actual y, por lo tanto, son los asuntos clave de auditoría. Describo estos asuntos en mi informe del revisor fiscal a menos que la ley o regulación impida la divulgación pública sobre el asunto o cuando, en circunstancias extremadamente excepcionales, determino que un asunto no debe ser comunicado en mi informe porque las consecuencias adversas de hacerlo serían razonablemente mayores que los beneficios al interés público de tal comunicación.

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Nataly Castro Arango
 Revisor Fiscal de Almacenes Éxito S.A.
 T.P. 138316 - T
 Miembro de KPMG S.A.S.

3 de marzo de 2023

Almacenes Éxito S.A.
Consolidated statements of financial position
At December 31, 2022 and 2021
(Amounts expressed in millions of Colombian pesos)

	Notes	At December 31,	
		2022	2021
Current assets			
Cash and cash equivalents	7	1,733,673	2,541,579
Trade receivables and other receivables	8	779,355	625,931
Prepayments	9	39,774	36,515
Related parties	10	47,122	56,475
Inventories, net	11	2,770,443	2,104,303
Financial assets	12	45,812	14,331
Tax assets	24	509,884	429,625
Assets held for sale	41	21,800	24,601
Total current assets		5,947,863	5,833,360
Non-current assets			
Trade receivables and other receivables	8	50,521	58,120
Prepayments	9	6,365	9,195
Receivables with related parties	10	35,000	24,500
Financial assets	12	32,572	40,630
Deferred tax assets	24	142,589	205,161
Rights of use asset, net	13	1,443,469	1,370,512
Other intangible assets, net	14	424,680	363,987
Investment property, net	15	1,841,228	1,656,245
Property, plant and equipment, net	16	4,474,280	4,024,697
Goodwill	17	3,484,303	3,024,983
Investments accounted for using the equity method	18	300,021	289,391
Other assets		398	398
Total non-current assets		12,235,426	11,067,819
Total assets		18,183,289	16,901,179
Current liabilities			
Loans and borrowings	20	915,604	674,927
Employee benefits	21	4,555	2,482
Provisions	22	27,123	24,175
Payable to related parties	10	79,189	65,646
Trade payables and other payable	23	5,651,303	5,136,626
Lease liabilities	13	263,175	234,178
Tax liabilities	24	109,726	81,519
Derivative instruments and collections on behalf of third parties	25	136,223	81,544
Other liabilities	26	228,496	217,303
Total current liabilities		7,415,394	6,518,400
Non-current liabilities			
Loans and borrowings	20	539,980	742,084
Employee benefits	21	32,090	17,896
Provisions	22	15,254	11,086
Trade payables and other payable	23	70,472	49,929
Lease liabilities	13	1,392,780	1,360,465
Deferred tax liabilities	24	277,713	166,751
Tax liabilities	24	2,749	3,924
Other liabilities	26	2,411	2,167
Total non-current liabilities		2,333,449	2,354,302
Total liabilities		9,748,843	8,872,702
Shareholders' equity			
Share capital		4,482	4,482
Reserves		1,541,586	1,306,445
Other equity components		5,680,013	5,570,478
Equity attributable to non-controlling interest		1,208,365	1,147,072
Total shareholders' equity		8,434,446	8,028,477
Total liabilities and shareholders' equity		18,183,289	16,901,179

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

Almacenes Éxito S.A.

Consolidated financial statements

At December 31, 2022 and 2021

Almacenes Éxito S.A.
Consolidated statements of profit or loss
For the years ended December 31, 2022 and 2021
(Amounts expressed in millions of Colombian pesos)

	Notes	Year ended December 31,	
		2022	2021
Continuing operations			
Revenue from contracts with customers	28	20,619,673	16,922,385
Cost of sales	11	(15,380,090)	(12,488,856)
Gross profit		5,239,583	4,433,529
Distribution, administrative and selling expenses	29	(4,231,887)	(3,489,920)
Other operating expenses, net	31	(17,562)	(24,201)
Operating profit		990,134	919,408
Financial income	32	219,909	173,819
Financial cost	32	(600,383)	(369,574)
Share of profit in associates and joint ventures		(34,720)	7,234
Profit before income tax from continuing operations		574,940	730,887
Income tax expense	24	(325,702)	(137,670)
Profit for the year from continuing operations		249,238	593,217
Net loss from discontinued operations		-	(280)
Profit for the year		249,238	592,937
Net profit attributable to:			
Equity holders of the Parent		99,072	474,681
Non-controlling interests		150,166	118,256
Profit for the year		249,238	592,937
Earnings per share (*)			
Basic and diluted earnings per share (*):			
Basic and diluted earnings per share attributable to the shareholders of the Parent	33	76.33	365.74
Basic and diluted earnings per share from continuing operations attributable to the shareholders of the Parent	33	76.33	365.96
Basic and diluted (losses) earnings per share from discontinued operations attributable to the shareholders of the Parent	33	-	(0.22)

(*) Amounts expressed in Colombian pesos.

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

Almacenes Éxito S.A.
Consolidated statements of other comprehensive income
For the years ended December 31, 2022 and 2021
(Amounts expressed in millions of Colombian pesos)

	Notes	Year ended December 31,	
		2022	2021
Profit for the year		249,238	592,937
Other comprehensive income			
Components of other comprehensive income that will not be reclassified to profit and loss, net of taxes			
Remeasurement gain (loss) on defined benefit plans	27	2,123	1,812
(Loss) gain from financial instruments designated at fair value through other comprehensive income		(4,003)	(932)
Total other comprehensive income that will not be reclassified to period results, net of taxes		(1,880)	880
Components of other comprehensive income that may be reclassified to profit and loss, net of taxes			
Gain (loss) from translation exchange differences (1)	27	266,807	111,657
Net loss on hedge of a net investment in a foreign operation	27	2,473	(5,755)
Gain (loss) from cash flows hedges	27	4,495	4,909
Total other comprehensive income that may be reclassified to profit or loss, net of taxes		273,775	110,811
Total other comprehensive income		271,895	111,691
Total comprehensive income		521,133	704,628
Comprehensive income attributable to:			
Equity holders of the Parent		372,327	585,186
Non-controlling interests		148,806	119,442

(1) Represents exchange differences arising from the translation of assets, liabilities, equity and results of foreign operations into the reporting currency.

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

Almacenes Éxito S.A.
Consolidated statements of changes in equity
For the years ended December 31, 2022 and 2021
(Amounts expressed in millions of Colombian pesos)

	Attributable to the equity holders of the parent											Total	Non-controlling interests	Total shareholders' equity	
	Issued share capital	Premium on the issue of shares	Treasury shares	Legal reserve	Occasional reserve	Reserves for acquisition of treasury shares	Reserve for future dividends distribution	Other reserves	Total reserves	Other comprehensive income	Retained earnings				Hyperinflation and other equity components
	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27	Note 27			
Balance at December 31, 2020	4,482	4,843,466	(2,734)	7,857	734,782	22,000	155,412	337,664	1,257,715	(1,350,662)	643,306	808,290	6,203,863	1,200,410	7,404,273
Cash dividend declared	-	-	-	-	(49,609)	-	-	-	(49,609)	-	(123,614)	-	(173,223)	(127,773)	(300,996)
Net income	-	-	-	-	-	-	-	-	-	-	474,681	-	474,681	118,256	592,937
Other comprehensive income	-	-	-	-	-	-	-	-	-	110,505	-	-	110,505	1,186	111,691
Appropriation to reserves	-	-	-	-	107,258	-	-	-	107,258	-	(107,258)	-	-	-	-
Changes in interest in the ownership of subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	-	-	-	-	(5,506)	(5,506)	3,419	(2,087)
Inflationary effect of subsidiary Libertad S.A.	-	-	-	-	-	-	-	-	-	-	-	278,474	278,474	-	278,474
Changes in fair value of put option on non-controlling interests and other movements	-	-	-	-	(784)	-	-	(8,135)	(8,919)	-	1,530	-	(7,389)	(48,426)	(55,815)
Balance at December 31, 2021	4,482	4,843,466	(2,734)	7,857	791,647	22,000	155,412	329,529	1,306,445	(1,240,157)	888,645	1,081,258	6,881,405	1,147,072	8,028,477
Cash dividend declared	-	-	-	-	(12,330)	-	-	-	(12,330)	-	(225,348)	-	(237,678)	(156,808)	(394,486)
Net income	-	-	-	-	-	-	-	-	-	-	99,072	-	99,072	150,166	249,238
Other comprehensive income	-	-	-	-	-	-	-	-	-	273,255	-	-	273,255	(1,360)	271,895
Acquisition of treasury shares	-	-	(316,756)	-	-	-	-	-	-	-	-	-	(316,756)	-	(316,756)
Appropriation to reserves	-	-	-	-	(147,108)	396,442	-	-	249,334	-	(249,334)	-	-	-	-
Changes in interest in the ownership of subsidiaries that do not result in loss of control	-	-	-	-	-	-	-	-	-	-	-	(14,072)	(14,072)	(6,426)	(20,498)
Inflationary effect of subsidiary Libertad S.A.	-	-	-	-	-	-	-	-	-	-	-	581,478	581,478	-	581,478
Changes in fair value of put option on non-controlling interests and other movements	-	-	-	-	(1,863)	-	-	-	(1,863)	-	2,529	(41,289)	(40,623)	75,721	35,098
Balance at December 31, 2022	4,482	4,843,466	(319,490)	7,857	630,346	418,442	155,412	329,529	1,541,586	(966,902)	515,564	1,607,375	7,226,081	1,208,365	8,434,446

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

Almacenes Éxito S.A.
Consolidated statements of cash flows
For the years ended December 31, 2022 and 2021
(Amounts expressed in millions of Colombian pesos)

	Notes	Year ended December 31,	
		2022	2021
Operating activities			
Profit for the year		249,238	592,937
Adjustments to reconcile profit for the year			
Current income tax	24	192,268	122,096
Deferred income tax	24	133,434	15,574
Interest, loans and lease expenses	32	210,558	147,148
(Gain) from changes in fair value of derivative financial instruments	32	(13,213)	(26,780)
Impairment of receivables, net	8.1	4,709	8,027
Impairment (reversal) losses of inventories, net	11.1	1,813	(5,844)
Impairment of property, plant and equipment, investment properties and right of use asset	13; 14; 15	2,201	4,527
Employee benefit provisions	21	19,411	2,463
Provisions	22	26,562	30,735
Depreciation of property, plant and equipment, investment property and right of use asset	13; 14; 15	556,686	510,498
Amortization of intangible assets	14	27,216	17,693
Share of profit in associates and joint ventures accounted for using the equity method	18	34,720	(7,234)
Loss from the disposal of non-current assets	31	(11,100)	17,971
Loss from reclassification of assets held for sale	31	230	-
Interest income	32	(27,040)	(17,277)
Other adjustments from items other than cash		62,326	4,531
Operating income before changes in working capital		1,470,019	1,417,065
Increase in trade receivables and other accounts receivable		(120,532)	(169,941)
Decrease in prepayments		849	2,603
Decrease (increase) in receivables from related parties		9,275	(17,015)
Increase in inventories		(586,328)	(150,859)
Increase in tax assets		(6,195)	(11,940)
Decrease in employee benefits		(2,784)	(2,660)
Decrease in other provisions		(18,556)	(38,135)
Increase in trade payables and other accounts payable		322,166	375,684
Increase in accounts payable to related parties		16,588	15,627
Increase in tax liabilities		19,099	7,594
(Decrease) increase in other liabilities		(368)	52,518
Income tax paid		(201,804)	(136,915)
Net cash flows provided by operating activities		901,429	1,343,626
Investing activities			
Advances to joint ventures		(55,850)	(24,500)
Acquisition of property, plant and equipment	13.1	(380,815)	(330,450)
Acquisition of other assets	15	(7,002)	(708)
Acquisition of investment property	15	(81,838)	(86,149)
Acquisition of intangible assets	14	(27,519)	(42,774)
Proceeds of the sale of property, plant and equipment and intangible assets.		23,095	4,396
Net cash flows used in investing activities		(529,929)	(480,185)
Financing activities			
Proceeds from financial assets		3,462	23,625
Proceeds from derivative instruments and collections on behalf of third parties		49,242	11,679
Proceeds from loans and borrowings	20	876,798	370,620
Repayment of loans and borrowings	20	(995,865)	(500,834)
Payments of interest of loans and borrowings	20	(98,872)	(54,178)
Lease liabilities paid	13.2	(266,357)	(220,830)
Interest on lease liabilities paid	13.2	(96,959)	(94,909)
Dividends paid	37	(397,022)	(303,483)
Interest received	32	27,040	17,277
Payments share buy-back		(316,756)	-
(Payment) proceeds from transactions with non-controlling interest		(20,532)	(3,178)
Other		-	1,137
Net cash flows used in financing activities		(1,235,821)	(753,074)
Net (decrease) increase in cash and cash equivalents		(864,321)	110,367
Effects of the variation in exchange rates		56,415	21,821
Cash and cash equivalents at the beginning of period	7	2,541,579	2,409,391
Cash and cash equivalents at the end of period	7	1,733,673	2,541,579

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

Note 1. General information

Almacenes Éxito S.A. was incorporated pursuant to Colombian laws on March 24, 1950; its headquarter is located Carrera 48 No. 32B Sur - 139, Envigado, Colombia. The life span of the Almacenes Éxito S.A. goes to December 31, 2150. Here and after Almacenes Éxito S.A. and its subsidiaries are referred to as the "Éxito Group".

Almacenes Éxito S.A. is listed on the Colombia Stock Exchange (BVC) since 1994 and is under the supervision of the Financial Superintendence of Colombia.

The consolidated financial statements for the year ended December 31, 2022 was authorized for issue in accordance with resolution of directors of Almacenes Éxito S.A. on February 27, 2023.

Éxito Group's corporate purpose is to:

- Acquire, store, transform and, in general, distribute and sell under any trading figure, including funding thereof, all kinds of goods and products, produced either locally or abroad, on a wholesale or retail basis, physically or online.
- Provide ancillary services, namely grant credit facilities for the acquisition of goods, grant insurance coverage, carry out money transfers and remittances, provide mobile phone services, trade tourist package trips and tickets, repair and maintain furnishings, complete paperwork and energy trade.
- Give or receive in lease trade premises, receive or give, in lease or under occupancy, spaces or points of sale or commerce within its trade establishments intended for the exploitation of businesses of distribution of goods or products, and the provision of ancillary services.
- Incorporate, fund or promote with other individuals or legal entities, enterprises or businesses intended for the manufacturing of objects, goods, articles or the provision of services related with the exploitation of trade establishments.
- Acquire property, build commercial premises intended for establishing stores, malls or other locations suitable for the distribution of goods, without prejudice to the possibility of disposing of entire floors or commercial premises, give them in lease or use them in any convenient manner with a rational exploitation of land approach, as well as invest in property, promote and develop all kinds of real estate projects.
- Invest resources to acquire shares, bonds, trade papers and other securities of free movement in the market to take advantage of tax incentives established by law, as well as make temporary investments in highly liquid securities with a purpose of short-term productive exploitation; enter into firm factoring agreements using its own resources; encumber its chattels or property and enter into financial transactions that enable it to acquire funds or other assets.
- In the capacity as wholesaler and retailer, distribute oil-based liquid fuels through service stations, alcohols, biofuels, natural gas for vehicles and any other fuels used in the automotive, industrial, fluvial, maritime and air transport sectors, of all kinds.

The immediate holding company, or controlling entity of Almacenes Éxito S.A. is Companhia Brasileira de Distribuição (hereinafter CBD), which owns 91.52% at December 31, 2022 (at December 31, 2021 - 91.57%) of its ordinary shares. CBD is controlled by Casino, Guichard-Perrachon S.A., which is ultimately controlled by Mr. Jean-Charles Henri Naouri.

Almacenes Éxito S.A. is registered in the Camara de Comercio Aburrá Sur.

Note 1.1. Stock ownership in subsidiaries included in the consolidated financial statements

Below is a detail of the stock ownership in subsidiaries included in the consolidated financial statements at December 31, 2022, which was substantially the same as in 2021.

Name	Segment	Country	Stock ownership 2022		
			Direct	Indirect	Total
Almacenes Éxito Inversiones S.A.S.	Colombia	Colombia	100.00%	0.00%	100.00%
Logística, Transporte y Servicios Asociados S.A.S.	Colombia	Colombia	100.00%	0.00%	100.00%
Marketplace Internacional Éxito y Servicios S.A.S.	Colombia	Colombia	100.00%	0.00%	100.00%
Depósitos y Soluciones Logísticas S.A.S.	Colombia	Colombia	100.00%	0.00%	100.00%
Marketplace Internacional Éxito S.L.	Colombia	Spain	100.00%	0.00%	100.00%
Fideicomiso Lote Girardot	Colombia	Colombia	100.00%	0.00%	100.00%
Transacciones Energéticas S.A.S. E.S.P.	Colombia	Colombia	100.00%	0.00%	100.00%
Éxito Industrias S.A.S.	Colombia	Colombia	94.53%	3.42%	97.95%
Éxito Viajes y Turismo S.A.S.	Colombia	Colombia	51.00%	0.00%	51.00%
Gestión Logística S.A.	Colombia	Panama	100.00%	0.00%	100.00%
Patrimonio Autónomo Viva Malls	Colombia	Colombia	51.00%	0.00%	51.00%
Patrimonio Autónomo Iwana	Colombia	Colombia	51.00%	0.00%	51.00%
Patrimonio Autónomo Centro Comercial Viva Barranquilla	Colombia	Colombia	0.00%	45.90%	45.90%
Patrimonio Autónomo Viva Laureles	Colombia	Colombia	0.00%	40.80%	40.80%
Patrimonio Autónomo Viva Sincelejo	Colombia	Colombia	0.00%	26.01%	26.01%
Patrimonio Autónomo Viva Villavicencio	Colombia	Colombia	0.00%	26.01%	26.01%
Patrimonio Autónomo San Pedro Etapa I	Colombia	Colombia	0.00%	26.01%	26.01%
Patrimonio Autónomo Centro Comercial	Colombia	Colombia	0.00%	26.01%	26.01%
Patrimonio Autónomo Viva Palmas	Colombia	Colombia	0.00%	26.01%	26.01%
Spice Investment Mercosur S.A.	Uruguay	Uruguay	100.00%	0.00%	100.00%
Devoto Hermanos S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
Mercados Devoto S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
Larencos S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
Geant Inversiones S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
Lanin S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
5 Hermanos Ltda.	Uruguay	Uruguay	0.00%	100.00%	100.00%
Sumelar S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
Tipset S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
Tedocan S.A.	Uruguay	Uruguay	0.00%	100.00%	100.00%
Supermercados Disco del Uruguay S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%

Name	Segment	Country	Stock ownership 2022		
			Direct	Indirect	Total
Grupo Disco del Uruguay S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Ameluz S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Fandale S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Odaler S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
La Cabaña S.R.L.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Ludi S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Semin S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Randicor S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Setara S.A.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Hiper Ahorro S.R.L.	Uruguay	Uruguay	0.00%	62.49%	62.49%
Ciudad del Ferrol S.C.	Uruguay	Uruguay	0.00%	61.24%	61.24%
Mablicor S.A.	Uruguay	Uruguay	0.00%	31.87%	31.87%
Maostar S.A.	Uruguay	Uruguay	0.00%	31.25%	31.25%
Onper Investment 2015 S.L.	Argentina	Spain	100.00%	0.00%	100.00%
Via Artika S. A.	Argentina	Uruguay	0.00%	100.00%	100.00%
Spice España de Valores Americanos S.L.	Argentina	Spain	0.00%	100.00%	100.00%
Libertad S.A.	Argentina	Argentina	0.00%	100.00%	100.00%
Gelase S. A.	Argentina	Belgium	0.00%	100.00%	100.00%

Note 1.2. Subsidiaries with material non-controlling interests

At December 31, 2022 and 2021 the following subsidiaries have material non-controlling interests:

	Country	Percentage of equity interest held by non-controlling interests	
		Year ended December 31,	
		2022	2021
Patrimonio Autónomo Viva Palmas	Colombia	73.99%	73.99%
Patrimonio Autónomo Viva Sincelejo	Colombia	73.99%	73.99%
Patrimonio Autónomo Viva Villavicencio	Colombia	73.99%	73.99%
Patrimonio Autónomo San Pedro Etapa I	Colombia	73.99%	73.99%
Patrimonio Autónomo Centro Comercial	Colombia	73.99%	73.99%
Patrimonio Autónomo Viva Laureles	Colombia	59.20%	59.20%
Patrimonio Autónomo Centro Comercial Viva Barranquilla	Colombia	54.10%	54.10%
Patrimonio Autónomo Iwana	Colombia	49.00%	49.00%
Éxito Viajes y Turismo S.A.S.	Colombia	49.00%	49.00%
Patrimonio Autónomo Viva Malls	Colombia	49.00%	49.00%
Grupo Disco del Uruguay S.A.	Uruguay	37.51%	37.51%

Below is a summary of financial information relevant to the assets, liabilities, profit or loss and cash flows of subsidiaries, as reporting entities, that hold material non-controlling interests, that have been included in the consolidated financial statements. Balances are shown before the eliminations required as part of the consolidation process.

Company	Statement of financial position					Comprehensive income						
	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Controlling interest	Non-controlling interest	Revenue from ordinary activities	Income from continuing operations	Total comprehensive income	Controlling interest	Non-controlling interest
At December 31, 2022												
Grupo Disco del Uruguay S.A.	565,381	1,114,329	641,985	94,249	943,476	2,068,902	353,898	2,247,060	140,290	140,290	86,467	52,623
Éxito Viajes y Turismo S.A.S.	44,592	4,263	38,387	583	9,885	5,176	4,844	31,342	8,682	8,682	4,342	4,254
Patrimonio Autónomo Viva Malls	81,805	1,816,209	19,288	-	1,878,726	1,021,744	920,576	211,186	148,294	148,294	77,613	72,664
Patrimonio Autónomo Viva Sincelajo	3,687	76,948	3,337	-	77,298	39,422	37,876	8,764	2,784	2,784	1,420	1,364
Patrimonio Autónomo Viva Villavicencio	4,676	211,370	6,346	-	209,700	104,322	102,753	28,654	17,770	17,770	9,146	8,707
Patrimonio Autónomo San Pedro Etapa I	918	31,542	975	-	31,485	16,057	15,428	4,533	2,863	2,863	1,460	1,403
Patrimonio Autónomo Centro Comercial	3,351	103,912	2,463	-	104,800	52,657	51,352	14,390	9,195	9,195	4,715	4,506
Patrimonio Autónomo Iwana	67	5,520	66	-	5,521	3,025	2,705	336	(161)	(161)	(103)	(79)
Patrimonio Autónomo Centro Comercial Viva Barranquilla	12,693	308,084	7,783	-	312,994	281,695	153,367	54,414	18,596	18,596	16,737	9,112
Patrimonio Autónomo Viva Laureles	3,167	102,237	2,931	-	102,473	81,978	20,495	18,943	10,690	10,690	8,552	2,138
Patrimonio Autónomo Viva Palmas	951	32,896	3,299	-	30,548	15,579	14,969	4,289	(2,260)	(2,260)	(1,153)	(1,107)
At December 31, 2021												
Grupo Disco del Uruguay S.A.	449,087	799,024	412,180	60,200	775,731	1,603,860	290,977	1,679,924	112,768	112,768	69,461	42,299
Éxito Viajes y Turismo S.A.S.	39,518	3,049	33,683	406	8,478	4,545	4,154	20,669	4,626	4,626	2,160	2,266
Patrimonio Autónomo Viva Malls	60,916	1,787,039	43,692	-	1,804,263	974,979	884,089	179,919	116,412	116,412	67,853	57,042
Patrimonio Autónomo Viva Sincelajo	3,381	75,766	3,613	-	75,534	38,522	37,012	7,068	2,194	2,194	1,119	1,075
Patrimonio Autónomo Viva Villavicencio	8,032	209,021	3,989	-	213,064	105,954	104,401	21,627	11,419	11,419	6,069	5,595
Patrimonio Autónomo San Pedro Etapa I	1,327	32,095	1,209	-	32,213	16,428	15,784	3,709	2,315	2,315	1,181	1,134
Patrimonio Autónomo Centro Comercial	5,967	107,038	1,964	-	111,041	55,814	54,410	11,629	7,019	7,019	3,605	3,439
Patrimonio Autónomo Iwana	68	5,668	43	-	5,693	3,134	2,790	333	(125)	(125)	(64)	(61)
Patrimonio Autónomo Centro Comercial Viva Barranquilla	19,930	313,447	6,828	-	326,549	293,895	32,665	45,001	12,793	12,793	11,513	1,283
Patrimonio Autónomo Viva Laureles	5,523	102,638	2,389	-	105,772	84,618	21,154	16,261	9,345	9,345	7,476	1,869
Patrimonio Autónomo Viva Palmas	1,907	32,237	3,340	-	30,804	15,710	15,094	3,883	1,854	1,854	946	908
Cash flows for the year ended December 31, 2022												
Company	Operating activities	Investment activities	Financing activities	Net increase (decrease) in cash	Operating activities	Investment activities	Financing activities	Net increase (decrease) in cash				
Grupo Disco del Uruguay S.A.	213,384	(51,151)	(235,941)	(73,708)	118,443	(34,913)	(103,090)	(19,560)				
Éxito Viajes y Turismo S.A.S.	8,476	(118)	(4,930)	3,428	10,275	(67)	(5,605)	4,603				
Patrimonio Autónomo Viva Malls	142,499	(23,218)	(100,955)	18,326	117,111	5,190	(142,839)	(20,538)				
Patrimonio Autónomo Viva Sincelajo	3,937	(2,766)	(1,094)	77	3,540	(4,368)	956	128				
Patrimonio Autónomo Viva Villavicencio	24,201	(8,727)	(19,166)	(3,692)	18,922	(876)	(17,138)	908				
Patrimonio Autónomo San Pedro Etapa I	3,879	(775)	(3,407)	(303)	3,286	(806)	(2,777)	(297)				
Patrimonio Autónomo Centro Comercial	11,775	(48)	(15,103)	(3,376)	10,554	(245)	(8,381)	1,928				
Patrimonio Autónomo Iwana	38	-	(11)	27	(22)	-	(4)	(26)				
Patrimonio Autónomo Centro Comercial Viva Barranquilla	28,221	(2,642)	(31,079)	(5,500)	23,347	(1,329)	(12,463)	9,555				
Patrimonio Autónomo Viva Laureles	13,302	(2,019)	(13,742)	(2,459)	11,993	(350)	(9,795)	1,848				
Patrimonio Autónomo Viva Palmas	(2,431)	(500)	2,023	(908)	868	(492)	436	812				
Cash flows for the year ended December 31, 2021												
Company	Operating activities	Investment activities	Financing activities	Net increase (decrease) in cash	Operating activities	Investment activities	Financing activities	Net increase (decrease) in cash				
Grupo Disco del Uruguay S.A.	213,384	(51,151)	(235,941)	(73,708)	118,443	(34,913)	(103,090)	(19,560)				
Éxito Viajes y Turismo S.A.S.	8,476	(118)	(4,930)	3,428	10,275	(67)	(5,605)	4,603				
Patrimonio Autónomo Viva Malls	142,499	(23,218)	(100,955)	18,326	117,111	5,190	(142,839)	(20,538)				
Patrimonio Autónomo Viva Sincelajo	3,937	(2,766)	(1,094)	77	3,540	(4,368)	956	128				
Patrimonio Autónomo Viva Villavicencio	24,201	(8,727)	(19,166)	(3,692)	18,922	(876)	(17,138)	908				
Patrimonio Autónomo San Pedro Etapa I	3,879	(775)	(3,407)	(303)	3,286	(806)	(2,777)	(297)				
Patrimonio Autónomo Centro Comercial	11,775	(48)	(15,103)	(3,376)	10,554	(245)	(8,381)	1,928				
Patrimonio Autónomo Iwana	38	-	(11)	27	(22)	-	(4)	(26)				
Patrimonio Autónomo Centro Comercial Viva Barranquilla	28,221	(2,642)	(31,079)	(5,500)	23,347	(1,329)	(12,463)	9,555				
Patrimonio Autónomo Viva Laureles	13,302	(2,019)	(13,742)	(2,459)	11,993	(350)	(9,795)	1,848				
Patrimonio Autónomo Viva Palmas	(2,431)	(500)	2,023	(908)	868	(492)	436	812				

Note 1.3. Restrictions on the transfer of funds

At December 31, 2022 and 2021, there are no restrictions on the ability of subsidiaries to transfer funds to Almacenes Éxito S.A. in the form of cash dividends, or loan repayments or advance payments.

Note 2. Basis of preparation and other significant accounting policies

The consolidated financial statements for the years ended December 31, 2022 and 2021 have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB).

The consolidated financial statements have been prepared on a historical cost basis, except for derivative financial instruments and financial instruments measured at fair value.

The Exito Group has prepared the financial statements on the basis that it will continue to operate as a going concern.

Note 3. Basis for consolidation

All significant transactions and material balances among subsidiaries have been eliminated upon consolidation; non-controlling interests represented by third parties' ownership interests in subsidiaries have been recognized and separately included in the consolidated shareholders' equity.

These consolidated financial statements include the financial statements of Almacenes Éxito S.A. and all of its subsidiaries. Subsidiaries (including special-purpose vehicles) are entities over which have direct or indirect control. Special-purpose vehicles are stand-alone trust funds (*Patrimonios Autónomos*, in Spanish) established with a defined purpose or limited term. A listing of subsidiaries is included in Note 1.

"Control" is the power to govern relevant activities, such as the financial and operating policies of a controlled company (subsidiary). Control is when have power over an investee, is exposed to variable returns from its involvement and have the ability to use its power over the investee to affect its returns. Generally, there is a presumption that a majority of voting rights results in control. To support this presumption and when the Exito Group has less than a majority of the voting or similar rights of an investee, the Exito Group considers all relevant facts and circumstances in assessing whether it has power over an investee.

At the time of assessing whether Almacenes Éxito S.A. has control over a subsidiary, analysis is made of the existence and effect of currently exercisable potential voting rights. Subsidiaries are consolidated as of the date on which control is gained until ceases the control of the subsidiary.

Transactions involving a change in ownership percentage without loss of control are recognized in shareholders' equity. Cash flows provided or paid to non-controlling interests which represent a change in ownership interests not resulting in a loss of control are classified as financing activities in the statement of cash flows.

In transactions involving a loss of control, the entire ownership interest in the subsidiary is derecognized, including the relevant items of the other comprehensive income, and the retained interest is recognized at fair value. Any gain or loss arising from the transaction is recognized in profit or loss. Cash flows from the acquisition or loss of control over a subsidiary are classified as investing activities in the statement of cash flows.

Whenever a subsidiary is made available for sale or its operation is discontinued, but control over it is still maintained, its assets and liabilities are classified as assets held for sale and presented in a single line item in the statement of financial position. Results from discontinued operations are presented separately in the consolidated statement of profit or loss.

Income for the period and each component in other comprehensive income are attributed to the owners of the parent and to non-controlling interests.

In consolidating the financial statements, all subsidiaries apply the same policies and accounting principles implemented by Almacenes Éxito S.A.

Subsidiaries' assets and liabilities, revenue and expenses, as well as Almacenes Éxito's S.A. revenue and expenses in foreign currency have been translated into Colombian pesos at observable market exchange rates on each reporting date and at period average, as follows:

	Closing rates (*)		Average rates (*)	
	Year ended December 31,			
	2022	2021	2022	2021
US Dollar	4,810.20	3,981.16	4,255.44	3,743.09
Uruguayan peso	120.97	89.06	103.69	85.91
Argentine peso	27.16	38.77	32.99	39.39
Euro	5,133.73	4,527.39	4,471.09	4,424.86

(*) Expressed in Colombian pesos.

Note 4. Significant accounting policies

The accompanying consolidated financial statements at December 31, 2022 have been prepared using the same accounting policies, measurements and bases used to present the consolidated financial statements for the year ended December 31, 2021.

The significant accounting policies applied in the preparation of the consolidated financial statements are the following:

Significant accounting estimates, judgments and assumptions

The preparation of the consolidated financial statements requires Management to make judgments, estimates and assumptions that impact the reported amounts of revenue, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of the year; however, uncertainty about these assumptions and estimates could result in outcomes that would require material adjustments to the carrying amount of the asset or liability impacted in future periods.

Estimates and relevant assumptions are reviewed regularly, and their results are recorded in the period in which the estimate is reviewed and in future periods affected.

In the process of applying the Exito Group's accounting policies, Management has made the following judgments and estimates, which have the most significant impact on the amounts recognized in the consolidated financial statements:

- The assumptions used to estimate the fair value of financial instruments (Note 35),
- The estimation of expected credit losses on trade receivables (Note 8),
- The estimation of useful lives of property, plant and equipment, and the amortization period of intangible assets (Notes 16 and 14),
- Assumptions used to assess the recoverable amount of non-financial assets and define the indicators of impairment of non-financial assets (Note 34),
- Assumptions used to assess and determine inventory losses and obsolescence (Note 11),
- The estimation of the discount rate used to measure lease liabilities (Note 13),
- Actuarial assumptions used to estimate retirement benefits and long-term employee benefit liabilities, such as inflation rate, death rate, discount rate, and the possibility of future salary increases. (Note 21),
- The estimation of the probability and amount of loss to recognize provisions related with lawsuits and restructurings (Notes 22) and,
- The estimation of future taxable profits to recognize deferred tax assets (Note 24).

Such estimations are based on the best information available regarding the facts analyzed at the date of preparation of the consolidated financial statements, which may give rise to future changes by virtue of potential situations that may occur and would result in prospective recognition thereof; this situation would be treated as a change in accounting estimate in future financial statements.

Classification between current or non-current

The Exito Group presents assets and liabilities in the statement of financial position based on current and non-current classification.

An asset is current when it is realized or will become available in a term not to exceed one year from the reporting date. All other assets are classified as non-current.

A liability is current when it is expected to be settled within twelve months from the end of the reporting periods. All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as "non-current" and presented net when appropriate in accordance with the provisions of IAS 12 – *Income Tax*.

Presentation and functional currency

The Exito Group's consolidated financial statements are presented in millions of Colombian pesos, except otherwise stated, which is also Almacenes Éxito S.A. functional currency. For each entity, the Exito Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Hyperinflation

Argentina's accumulated inflation rate over the past three years at December 31, 2022 calculated using different consumer price index combinations has exceeded 100%, and therefore is considered to be hyperinflationary.

Financial statements related to the subsidiary in Argentina have been adjusted for hyperinflation pursuant to IAS 29 - Financial Reporting in Hyperinflationary Economies.

Foreign operations

The financial statements of subsidiaries that are carried in a functional currency other than the Colombian peso have been translated into Colombian pesos. Transactions and balances are translated as follows, except for subsidiaries located in hyperinflationary economies in which case all balances and transactions are translated at closing rates:

- Assets and liabilities are translated into Colombian pesos at the period closing exchange rate,
- Income-related items are translated into Colombian pesos using the period's average exchange rate,
- Equity transactions in foreign currency are translated into Colombian pesos at the exchange rate on the date of each transaction.

Exchange differences arising from the translation are directly recognized in a separate component of equity and are reclassified to the statement of profit or loss upon loss of control in the subsidiary.

Foreign currency transactions

Transactions in foreign currency are defined as those denominated in a currency other than the functional currency.

Monetary balances at reporting date expressed in a currency other than the functional currency are updated based on the exchange rate at the end of the reporting period, and the resulting exchange differences are recognized as part of the net financial results in the statement of profit or loss. For this purpose, monetary balances are translated into the functional currency using the market spot rate (*).

Non-monetary items are not translated at period closing exchange rate but are measured at historical cost (at the exchange rates on the date of each transaction), except for non-monetary items measured at fair value such as forward and swap financial instruments, which are translated using the exchange rates on the date of measurement of the fair value thereof and by items such as equity instruments whose exchange differences resultants from updating are recognized in the statement of other comprehensive income.

Any goodwill arising on the acquisition of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.

(*) Market Representative Exchange Rate means the average of all market rates negotiated during the closing day (closing exchange rate), equivalent to the international "spot rate", as also defined by IAS 21 - Effects of Changes in Foreign Exchange Rates, as the spot exchange rate in force at the closing of the reporting period.

Offsetting of financial instruments

Financial assets and financial liabilities are offset, and the net amount is reported in the consolidated statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

Fair value measurement

The fair value is the price to be received upon the sale of an asset or paid out upon transferring a liability under an orderly transaction carried out by market participants on the date of measurement.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Éxito Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities,
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable,
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognized in the financial statements at fair value on a recurring basis, the Éxito Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Investments in associates and joint arrangements

An associate is an entity over which is in a position of exercising significant influence, but not control or joint control, through the power of participating in decisions regarding operating and financial policies of the associate. In general, significant influence is presumed where has an ownership interest higher than 20%.

A joint arrangement is an agreement by means of which two or more parties maintain joint control. Joint arrangements can be joint operations or joint ventures. There is joint control only when decisions on significant activities require the unanimous consent of the parties that share control. Acquisitions of such arrangements are recorded using the principles applicable to business combinations set out by IFRS 3.

A joint venture is a joint arrangement by which the parties having joint control over the arrangement are entitled to the net assets of the arrangement. Such parties are known as participants in a joint venture.

A joint operation is a joint arrangement by means of which the parties having joint control over the arrangement are entitled to the assets and liability-related obligations associated with the arrangement. Such parties are known as joint operators.

Investments in associates or joint ventures are accounted for using the equity method.

Under the equity method, investment in associates and joint ventures is recorded at cost upon initial recognition and subsequently the carrying amount of the investment is adjusted to recognize changes in the Éxito Group's share of net assets of the associate or joint venture since the acquisition date. Such changes are recognized in profit or loss or in other comprehensive income, as appropriate. The dividends received from an investee are deducted from the carrying value of the investment.

The financial statements of the associate or joint venture are prepared for the same reporting period as the Éxito Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Éxito Group.

Unrealized gains or losses from transactions between Éxito Group and associates and joint ventures are eliminated in the proportion interest in such entities upon application of the equity method.

After application of the equity method, the Éxito Group determines whether it is necessary to recognize an impairment loss on its investment in its associate or joint venture. At each reporting date, the Éxito Group determines whether there is objective evidence that the investment in the associate or joint venture is impaired. If there is such evidence, the Éxito Group calculates the amount of impairment as the difference between the recoverable amount of the associate or joint venture and its carrying value, and then recognizes the loss within 'Share of profit of an associate and joint ventures' in the statement of profit or loss.

Transactions involving a loss of significant influence over an associate or joint venture are booked recognizing any ownership interest retained at its fair value, and the gain or loss arising from the transaction is recognized in profit or loss including the relevant items of other comprehensive income.

Wherever the share of the losses of an associate or joint venture equals to or exceeds its interest therein, ceases to recognize its share of additional losses. A provision is recognized once the interest comes to zero, only in as much as have incurred legal or constructive liabilities.

Dividends are recognized when the right to receive payment for investments classified as financial instruments arise; dividends received from associates and joint ventures, that were measure using the equity method, are recognized as a financial income against a decrease in the carrying amount of the investment in these associates or joint ventures.

Goodwill

Goodwill is recognized as the excess of the fair value of the consideration transferred over the fair value of net assets acquired. After initial recognition, goodwill is carried at cost less any accumulated impairment losses. For purposes of impairment testing, from the date of the acquisition, goodwill is allocated to the cash-generating unit or group of cash-generating units that are expected to benefit from the business combination.

Put options on the holders of non-controlling interests

Shares held by non-controlling interests that are subject to a put option held by the Éxito Group are accounted for as acquired and therefore as a liability. Changes in the fair value of the liability are recognized directly in equity.

Intangible assets

Intangible assets acquired separately are initially recognized at cost.

Internally-generated trademarks are not recognized in the statement of financial position.

The cost of intangible assets includes acquisition cost, import duties, indirect not-recoverable taxes and costs directly incurred to bring the asset to the place and use conditions foreseen by Éxito Group's management, after trade discounts and rebates, if any.

Intangible assets having indefinite useful lives are not amortized, but are subject to impairment testing, on an annual basis or whenever there is indication of impairment.

Intangible assets having a defined useful life are amortized using the straight-line method over their estimated useful lives. Estimated useful lives are:

Acquired software	Between 3 and 5 years
ERP-like acquired software	Between 5 and 8 years

Amortization expense and impairment losses are recognized in the statement of profit or loss.

An intangible asset is derecognized upon disposal or when no future economic benefit is expected from its use or disposal. The gain or loss from derecognition of an asset is calculated as the difference between the net proceeds of sale and the carrying amount of the asset and is included in profit or loss.

Useful lives and amortization methods are reviewed at each reporting date and changes, if any, are applied prospectively.

Property, plant and equipment

Property, plant and equipment are initially measured at cost; subsequently they are measured at cost less accumulated depreciation and less accumulated impairment losses.

The cost of property, plant and equipment items includes acquisition cost, import duties, non-recoverable indirect taxes, future dismantling costs, if any, borrowing costs directly attributable to the acquisition of a qualifying asset and the costs directly attributable to place the asset in the site and usage conditions foreseen by Éxito Group's management, net of trade discounts and rebates.

Costs incurred for expansion, modernization and improvements that increase productivity, capacity or efficiency, or an increase in the useful lives thereof, are capitalized. Maintenance and repair costs from which no future benefit is foreseen are expensed.

Land and buildings are deemed to be individual assets, whenever they are material and physical separation is feasible from a technical viewpoint, even if they have been jointly acquired.

Assets under construction are transferred to operating assets upon completion of the construction or commencement of operation and depreciated as of that moment.

The useful life of land is unlimited and consequently it is not depreciated. All other items of property, plant and equipment are depreciated using the straight-line method over their estimated useful lives.

The categories of property, plant and equipment and relevant useful lives are as follows:

Computers	5 years
Vehicles	5 years
Machinery and equipment	From 10 to 20 years
Furniture and office equipment	From 10 to 12 years
Other transportation equipment	From 5 to 20 years
Surveillance team armament	10 years
Other property, plant and equipment	From 10 to 20 years
Installations	From 40 to 50 years
Buildings	From 40 to 50 years
Improvements to third-party properties	40 years or the term of the lease agreement or the remaining of the lease term, whichever is less

Residual values, useful lives and depreciation methods are reviewed at the end of each year, and changes, if any, are applied prospectively.

An item of property, plant and equipment is derecognized (a) upon its sale or (b) whenever no future economic benefit is expected from use or it is disposed. The gain or loss from derecognition of an asset is the difference between the net proceeds of sale and the carrying amount of the asset. Such effect is recognized in profit or loss.

The Éxito Group estimate depreciation by components, which means applying individual depreciation to the components of an asset with useful lives that are different from the asset as a whole and has a material cost in relation to the entire fixed asset. Cost is deemed material when the component exceeds 50% of the total asset value, or when it can be individually identified, based on an individual cost of the component of 32 Minimum Legal Monthly Wages in force (SMMLV) (December 31, 2022, the monthly legal minimum wage was \$1,000,000).

Investment property

This category includes the shopping malls and other property owned by the Éxito Group.

Investment properties are initially measured at cost, including transaction costs. Following initial recognition, they are stated at historical cost less accumulated depreciation and accumulated impairment losses.

Investment property is depreciated using the straight-line method over the estimated useful life. The useful life estimated to depreciate buildings classified as investment property is from 40 to 50 years.

Transfers are made from investment properties to other assets and from other assets to investment properties only whenever there is a change in the use of the asset. For transfers from investment property to property, plant and equipment or to inventories, the cost taken into consideration for subsequent accounting is the carrying amount on the date the use is changed. If a property, plant and equipment item would become investment property, it will be recorded at carrying amount on the date it changes.

Investment property is derecognized upon its sale or whenever no future economic benefit is expected from the use or disposition thereof.

The gain or loss from derecognition of investment properties is the difference between the net proceeds of sale and the carrying amount of the asset and recognized in profit or loss.

The fair values of investment property are updated on an annual basis for the purposes of disclosure in the financial statements.

Non-current assets held for sale and discontinued operations

Non-current assets and disposal groups are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.

The criteria for classification as held for sale is regarded as met whenever an asset or group of assets are available for immediate sale, under current condition, and the sale is highly probable to occur. In order for the sale to be highly probable, the management must be committed to a plan to sell the asset (or assets or disposal groups) and the sale is expected within the year following the classification date.

Non-current assets and disposal groups are measured at the lower of carrying amount or fair value, less costs to sell, and are not depreciated or amortized as of the date they are classified as held for sale. Such assets or disposal groups are presented separately as current items in the statement of financial position.

In the statement of profit or loss for the current period and for that of the comparative previous period, revenue, costs and expenses from a discontinued operation are presented separately from those from continuing activities, in one single line item as profit or loss after tax from discontinued operations. An operation is deemed to be discontinued whenever it represents a business line or geographical area of operations that are material to Éxito Group.

Leases

The Éxito Group assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Group as a lessee

The Éxito Group applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Éxito Group recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right of use asset

The Éxito Group recognizes right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognized, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Éxito Group recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Éxito Group and payments of penalties for terminating the lease, if the lease term reflects the Éxito Group exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs

In calculating the present value of lease payments, the Éxito Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Éxito Group as a lessor

Leases in which the Éxito Group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

Short term leases and leases of low value assets

The Éxito Group applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered to be low value, such as furniture and office equipment, computers, machinery and equipment and intangibles. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or manufacturing of a qualifying asset, in other words an asset that necessarily takes a substantial period (generally more than six months) to become ready for its intended use or sale, are capitalized as part of the cost of the respective asset. Other borrowing costs are accounted for as expenses during the period they are incurred. Borrowing costs consist of interest and other costs incurred in connection with the borrowing of funds.

Impairment of non-financial assets

The Éxito Group assesses at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Éxito Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs of disposal and its value in use. The recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

To assess impairment losses, assets are grouped at the level of cash-generating units, and estimation is made of the recoverable amount. The Éxito Group has defined each store or each shop as an individual cash-generating unit.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

To determine the fair value less the costs of disposal, a pricing model is used in accordance with the cash-generating unit or groups of cash-generating units, if it can be established.

To assess the value in use:

- Estimation is made of future cash flows of the cash-generating unit over a period not to exceed five years. Cash flows beyond a 3-year period are estimated by applying a steady or declining growth rate.
- The terminal value is estimated by applying a perpetual growth rate, according to the forecasted cash flow at the end of the five-year period.
- The cash flows and terminal value are discounted to present value, using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

For assets excluding goodwill, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Éxito Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years.

Impairment losses are accounted in profit or loss in the amount of the excess of the carrying amount of the asset over recoverable amount thereof; first, reducing the carrying amount of the goodwill allocated to the cash-generating unit or group of cash-generating units; and second, if there would be a remaining balance, by reducing all other assets of the cash-generating unit or group of units as a function of the carrying amount of each asset until such carrying amount reaches zero.

Goodwill is tested for impairment annually as at 31 December and when circumstances indicate that the carrying value may be impaired. Impairment is determined for goodwill by assessing the recoverable amount of each CGU (or group of CGUs) to which the goodwill relates. When the recoverable amount of the CGU is less than its carrying amount, an impairment loss is recognized. Impairment losses relating to goodwill cannot be reversed in future periods. Intangible assets with indefinite useful lives are tested for impairment annually as at 31 December at the CGU level, as appropriate, and when circumstances indicate that the carrying value may be impaired.

Inventories

Inventories include goods acquired with the purpose of being sold in the ordinary course of business, goods in process of manufacturing or construction with a view to such sale, and goods to be consumed in the process of production or provision of services.

Inventories in transit are recognized upon receipt of all substantial risks and benefits attached to the asset, according to performance obligations satisfied by the seller, as appropriate under procurement conditions.

Inventories also include real estate property where construction or development of a real estate project has been initiated with a view to future selling.

Inventories purchased are recorded at cost, including warehouse and handling costs, to the extent that these costs are necessary to bring inventories to their present location and condition, that is to say, upon completion of the production process or receipt at the store. Inventories are measured using the first-in-first-out (FIFO) method. Logistics costs and supplier discounts are capitalized as part of the inventories and recognized in cost of goods sold upon sale. Unrealized bonuses are presented as a reduction to inventories at each reporting date.

Inventories are measurable for at the lower of cost or net realizable value.

Net realizable value is the selling price in the ordinary course of business, less the estimated costs to sell.

Inventories are reduced for losses and damages, which are periodically reviewed and evaluated as appropriate.

Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Financial assets are recognized in the statement of financial position when the Éxito Group becomes party to the contractual provisions of the instrument. Financial assets are classified at initial recognition, as subsequently measured at:

- Fair value through profit or loss,
- Amortized cost, and
- Fair value through other comprehensive income.

The classification depends on the business model used to manage financial assets and on the characteristics of the cash flows from the financial asset; such classification is defined upon initial recognition. Financial assets are classified as current assets, if they mature in less than one year; otherwise they are classified as non-current assets.

a. Financial assets measured at fair value through profit or loss

Includes financial assets incurred mainly seeking to manage liquidity through frequent sales of the instrument. These instruments carried in the statement of financial position at fair value with net changes in fair value are recognized in the statement of profit or loss.

b. Financial assets measured at amortized cost

These are non-derivative financial assets with known payments and fixed maturity dates, for which there is an intention and capability of collecting the cash flows from the instrument under a contract.

These Financial assets at amortized cost are subsequently measured using the effective interest method and are subject to impairment. The amortized cost is estimated by adding or deducting any premium or discount, revenue or incremental cost, during the remaining life of the instrument. Gains and losses are recognized in the statement of profit or loss when the asset is derecognized, modified or impaired.

c. Financial assets at fair value through other comprehensive income

They represent variable-income investments not held for trading nor deemed an acquirer's contingent consideration in a business combination. Éxito made an irrevocable election at initial recognition for these investments that would otherwise be measured at fair value through profit or loss to present subsequent changes in fair value in other comprehensive income.

In case these assets are derecognized, the gains and losses previously recognized in other comprehensive income are reclassified to retained earnings.

d. Loans and accounts receivable

Loans and accounts receivable are financial assets issued or acquired in exchange for cash, goods or services delivered to a debtor.

Accounts receivable from sales transactions are measured at invoice values less allowance for expected credit losses. These accounts receivable are recognized when all risks and benefits have been transferred to a third party and all performance obligations agreed upon with the customer have been met or are in the process of being met.

Long-term loans (more than one year of issuance date) are measured at amortized cost using the effective interest method. Expected credit losses are recognized in the statement of profit or loss.

These instruments are included as current assets, except for those maturing after 12 months of the reporting date, which are classified as non-current assets. Accounts receivable expected to be settled over a period of more than 12 months and include payments during the first 12 months, are shown as non-current portion and current portion, respectively.

e. Effective interest method

Is the method to estimate the amortized cost of a financial asset and the allocation of interest revenue during the entire relevant period. The effective interest rate is the rate that exactly discounts the estimated net future cash flows receivable (including all charges received that are an integral part of the effective interest rate, transaction costs and other rewards or discounts), during the expected life of a financial asset.

f. Impairment of financial assets

Given that trade accounts receivable and other accounts receivable are deemed to be short-term receivables of less than 12 months as of the date of issue and do not contain a significant financial component, impairment thereof is estimated from initial recognition and on each presentation date as the expected loss for the following 12 months.

For financial assets other than those measured at fair value, expected losses are measured over the life of the relevant asset. For this purpose, determination is made of whether the credit risk arising from the asset assessed on an individual basis has significantly increased, by comparing the risk of default on the date of presentation against that on the date of initial recognition; if so, an impairment loss is recognized in profit or loss in the amount of the credit losses expected over the following 12 months.

g. Derecognition

Financial assets are derecognized when the contractual rights to the cash flows from the financial asset expire or the Éxito Group transfers the contractual rights to receive the cash flows of the financial asset.

Financial liabilities

Financial liabilities are recognized in the statement of financial position when the Éxito Group becomes party pursuant to the instrument's terms and conditions. Financial liabilities are classified and subsequently measured at fair value through profit or loss or amortized cost.

- a. Financial liabilities measured at fair value through profit or loss.

Financial liabilities are classified under this category when held for trading or when upon initial recognition they are designated at fair value through profit or loss.

- b. Financial liabilities measured at amortized cost.

Include loans and bonds issued, which are initially measured at the actual amount received net of transaction costs and subsequently measured at amortized cost using the effective interest method.

- c. Effective interest method

The effective interest method is the method to calculate the amortized cost of a financial liability and the allocation of interest expenses over the relevant period. The effective interest rate is the rate that accurately discounts estimated future cash flows payable during the expected life of a financial liability, or, as appropriate, a shorter period whenever a prepayment option is associated to the liability and it is likely to be exercised.

- d. Derecognition

A financial liability or a part thereof is derecognized upon settlement or expiry of the contractual obligation.

Interest income

Interest income is recognized using the effective interest method.

Cash and cash equivalents

Include cash at hand and in banks, and highly liquid investments. To be classified as cash equivalents, investments should meet the following criteria:

- Short-term investments, in other words, with terms less than or equal to three months as of acquisition date,
- Highly liquid investments,
- Readily convertible into a known amount of cash, and
- Subject to an insignificant risk of change in value.

In the statement of financial position, overdraft accounts with financial institutions are classified as financial liabilities. In the statement of cash flows such overdrafts are shown as a component of cash and cash equivalents, provided they are an integral part of Éxito Group's cash management system.

Derivative financial instruments

The Éxito Group uses derivative financial instruments to mitigate the exposure to variation in interest and exchange rates. These derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value at the end of each reporting period. They are presented as non-current assets or non-current liabilities whenever the remaining maturity of the hedged item exceeds 12 months, otherwise they are presented as current assets and current liabilities.

Gains or losses arising from changes in the fair value of derivatives are recognized as financial income or expenses. Derivative financial instruments that meet hedge accounting requirements are accounted for pursuant to the hedge accounting policy, described below.

Hedge accounting

The Éxito Group uses hedge instruments to mitigate the risks associated with changes in the exchange rates related to its investments in foreign operations and in the exchange and interest rates related to its financial liabilities.

A hedging relationship qualifies for hedge accounting if it meets all of the following effectiveness requirements:

- There is 'an economic relationship' between the hedged item and the hedging instrument.
- The effect of credit risk does not 'dominate the value changes' that result from that economic relationship.
- The hedge ratio of the hedging relationship is the same as that resulting from the quantity of the hedged item that the Éxito Group actually hedges and the quantity of the hedging instrument that the Éxito Group actually uses to hedge that quantity of hedged item.

The documentation includes identification of the hedging instrument, the hedged item, the nature of the risk being hedged and how the Éxito Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including the analysis of sources of hedge ineffectiveness and how the hedge ratio is determined).

Hedges are classified and booked as follows, upon compliance with hedge accounting criteria:

- Cash flow hedges include hedges covering the exposure to the variation in cash flows arising from a particular risk associated to a recognized asset or liability or to a foreseen transaction whose occurrence is highly probable and may have an impact on period results.

Derivative instruments are recorded as cash flow hedge, using the following principles:

- The effective portion of the gain or loss on the hedge instrument is recognized directly in stockholders' equity in other comprehensive income. In case the hedge relationship no longer meets the hedging ratio but the objective of management risk remains unchanged, the Éxito Group should "rebalance" the hedge ratio to meet the eligibility criteria.

- Any remaining gain or loss on the hedge instrument (including arising from the "rebalancing" of the hedge ratio) is ineffective, and therefore should be recognized in profit or loss.
- Amounts recorded in other comprehensive income are immediately transferred to the profit or loss together with the hedged transaction, for example, when the hedged financial income or expense is recognized or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or liability, the amounts recorded in equity are transferred to the initial carrying amount of the non-financial asset or liability.
- The Éxito Group should prospectively discontinue hedge accounting only when the hedge relationship no longer meets the qualification criteria (after taking into account any rebalancing of the hedge relationship).
- If the expected transaction or firm commitment is no longer expected, amounts previously recognized in OCI are transferred to the Statements of Income. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover, or if its hedge classification is revoked, gains or losses previously recognized in comprehensive income remain deferred in equity in other comprehensive income until the expected transaction or firm commitment affect profit or loss.

- Fair-value hedges: this category includes hedges covering the exposure to changes in the fair value of recognized assets or liabilities or unrecognized firm commitments.

A change in the fair value of a derivative that is a fair-value hedging instrument is recognized in the statement of profit or loss as financial expense or income. A change in the fair value of a hedged item attributable to the hedged risk is booked as part of the carrying amount of the hedged item and is also recognized in the statement of profit or loss as financial expense or revenue.

Whenever an unrecognized firm commitment is identified as a hedged item, the subsequent accrued change in the fair value of the firm commitment attributable to the hedged risk will be recognized as an asset or liability and the relevant gain or loss will be recognized in profit or loss. For the years ended 2022 and 2021, the Éxito Group has not designated any derivative financial instrument as fair value hedge.

- Net investment hedges in a foreign operation: this category includes hedges covering exposure to the variation in exchange rates arising from the translation of foreign businesses to Almacenes Éxito's S.A. reporting currency.

The effective portion of the changes in the fair value of derivative instruments defined as instruments to hedge a net investment in a foreign operation is recognized in other comprehensive income. The gain or loss related to the non-effective portion is recognized in the statement of profit or loss.

If the Éxito Group would dispose of a foreign business, in whole or in part, the accrued value of the effective portion recorded to other comprehensive income is reclassified to the statement of profit or loss.

Employee benefits

- a. Post-employment: defined contribution plans

Post-employment benefit plans under which there is an obligation to make certain predetermined contributions to a separate entity (a retirement fund or insurance company) and there is no further legal or constructive obligation to pay additional contributions. Such contributions are recognized as expenses in the statement of profit or loss, in as much as the relevant contributions are enforceable.

- b. Post-employment: defined benefit plans

Post-employment defined benefit plans are those under which there is an obligation to directly provide retirement pension payments and retroactive severance pay, pursuant to Colombian legal requirements. The Éxito Group has no specific assets intended for guaranteeing the defined benefit plans.

Post-employment defined benefit plan liabilities are estimated for each plan, with the support of independent third parties, applying the projected credit unit's actuarial valuation method, using actuarial assumptions on the date of the period reported, such as discount rate, salary increase expectations, average time of employment, life expectancy and personnel turnover. Actuarial gains or losses are recognized in other comprehensive income. Interest expense on post-employment benefits plans, as well as settlements and plan reductions, are recognized in profit or loss as financial costs.

- c. Long-term employee benefits

These are benefits not expected to be fully settled within twelve months following the reporting date regarding which employees render their services. These benefits relate to time-of-service bonuses and similar benefits. The Éxito Group has no specific assets intended for guaranteeing long-term benefits.

The liability for long-term benefits is determined separately for each plan with the support of independent third parties, following the actuarial valuation of the forecasted credit unit method, using actuarial assumptions on the date of the reporting period. The cost of current service, cost of past service, cost for interest, actuarial gains and losses, as well as settlements or reductions in the plan are recognized in the statement of profit or loss.

d. Short-term employee benefits

These are benefits expected to be fully settled within twelve months and after the reporting date regarding which the employees render their services. Such benefits include a share of profits payable to employees based on performance. Short-term benefit liabilities are measured based on the best estimation of disbursements required to settle the obligations on the reporting date.

e. Employee termination benefits

The Éxito Group pays employees certain benefits upon termination, whenever decision is made to terminate a labor contract earlier than on the ordinary retirement date, or whenever an employee accepts a benefit offer in exchange for termination of his labor contract.

Termination benefits are classified as short-term employee benefits and are recognized in profit or loss when they are expected to be fully settled within 12 months of the end of the reporting period; and are classified as long-term employee benefits when they are expected to be settled after 12 months of the end of the reporting period.

Provisions, contingent assets and liabilities

The Éxito Group recognizes a provision for all present obligations resulting from past events, for which it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and can be reliably estimated.

Provisions are recognized at the present value of the best estimation of cash outflows required to settle the liability. In those cases where there is expectation that the provision will be reimbursed, in full or in part, the reimbursement is recognized as a separate asset only if virtually certain.

The provisions are revised periodically and estimated based on the best information available on the reporting date.

Provisions for onerous contracts are recognized whenever unavoidable costs to be incurred in performing under the contract exceed the economic benefits expected to be received.

A restructuring provision is recognized whenever there is a constructive obligation to conduct a reorganization, when a formal and detailed restructuring plan has been prepared and has raised a valid expectation in those affected and announced prior to the reporting date.

Contingent liabilities are obligations arising from past events, whose existence is subject to the occurrence or non-occurrence of future events not entirely under the control of the Éxito Group; or current obligations arising from past events, from which the amount of the obligation cannot be reliably measured or it is not probable that an outflow of resources will be required to settle the obligation. Contingent liabilities are not recognized; instead they are disclosed in notes to the financial statements, unless the possibility of any outflow is remote.

A contingent asset is a possible asset that arises from past events, whose existence will be confirmed only by the occurrence or non-occurrence of future events not entirely under the control of the Éxito Group. Contingent assets are not recognized in the statement of financial position unless realization is virtually certain. Instead, they are disclosed in the notes to the financial statements when an inflow of economic benefit is probable.

Taxes

Taxes include the following income and non-income taxes:

Colombia:

- Income tax,
- Real estate tax, and
- Industry and trade tax.

Argentina:

- Income tax,
- Province taxes,
- Tax on personal property - substitute responsible party, and
- Municipal trade and industry tax.

Uruguay:

- Income tax (*Impuesto a las Rentas de Industria y Comercio -IRIC*, in Spanish),
- Tax on equity,
- Real property tax,
- Industry and trade tax,
- Tax on Control of Stock Corporations (*Impuesto de Control a las Sociedades Anónimas – ICOSA*, in Spanish),
- National tax on wine production, and
- Tax on the Disposal or Transfer of Agricultural and Livestock Assets (*Impuesto a la Enajenación de Bienes Agropecuarios – IMEBA*, in Spanish)

Current income tax

Current income tax in Colombia is assessed on the taxable net income at the official rate applicable annually on each closing of presentation of financial statements.

For subsidiaries in Uruguay and Argentina, current income tax is assessed at enacted tax rates.

Éxito Group permanently evaluates the positions assumed in the tax declarations with respect to situations in which certain interpretations may exist in the tax laws to adequately record the amounts that are expected to be paid.

Current tax assets and liabilities are offset for presentation purposes if there is a legally enforceable right, they have been incurred with the same tax authority and the intention is to settle them at net value or realize the asset and settle the liability simultaneously.

Deferred income tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred income tax arises from temporary differences that give rise to differences between the accounting base and the taxable base of assets and liabilities.

Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply when the asset is realized or the liability is settled, based on the tax rates (and tax laws) that have been enacted or substantively enacted at the reporting period.

Deferred income tax assets are only recognized if it is probable that there will be future taxable income against which such deductible temporary differences may be offset. Deferred income tax liabilities are always recognized.

The effects of the deferred tax are recognized in income for the period or in other comprehensive income depending on where the originating profits or losses were booked, and they are shown in the statement of financial position as non-current items.

For presentation purposes, deferred tax assets and liabilities are offset if there is a legally enforceable right and they have been incurred with the same tax authority.

No deferred tax liabilities are carried for the total of the differences that may arise between the accounting balances and the taxable balances of investments in associates and joint ventures, since the exemption contained in IAS 12 is applied when recording such deferred income tax liabilities.

Revenue from contracts with customers

Revenue is measured at the fair value of the consideration received or to be received, net of trade rebates, cash discounts and volume discounts; value added tax is excluded.

Retail sales

Revenue from retail sales is recognized at the point in time when control of the asset is transferred to the customer, upon delivery of the goods.

- Loyalty programs

Under their loyalty programs, certain subsidiaries award customer points on purchases, which may be exchanged in future for benefits such as prizes or goods available at the stores, means of payment or discounts, redemption with allies and continuity programs, among other. Points are measured at fair value, which is the value of each point received by the customer, taking the various redemption strategies into consideration. The fair value of each point is estimated at the end of each accounting period.

The obligation of awarding such points is recorded in the liability side as a deferred revenue that represents the portion of unredeemed benefits at fair value, considering for such effect the redemption rate and the estimated portion of points expected not to be redeemed by the customers.

Revenue from services

Revenue from the provision of services is recognized at a point in time, when the performance obligations agreed upon with the customer have been satisfied.

Lease income

Lease income on investment properties is recognized on a straight-line basis over the term of the agreement.

Other revenue

Royalties are recognized upon fulfilment of the conditions set out in the agreements.

Principal or agent

Contracts to provide goods or services to customers on behalf of other parties are analyzed on the grounds of specific criteria to determine when the Éxito Group acts as principal and when as a commission agent.

When another party is involved in providing goods or services to a customer, Éxito Group determines whether the nature of its promise is a performance obligation to provide the specified goods or services itself (principal) or to arrange for those goods or services to be provided by the other party (agent).

Earnings per share

Basic earnings per share are calculated by dividing the profit for the period attributable to Éxito Group by the weighted average of common shares outstanding during the year, excluding, if any, common shares acquired by Éxito and held as treasury shares.

For the purpose of calculating diluted earnings per share, profit or loss attributable to equity holders of the parent entity, and the weighted average number of shares outstanding, are adjusted for the effects of all dilutive potential ordinary shares, if any.

There were no dilutive potential ordinary shares outstanding at the end of the reporting period.

Costs and Expenses

Costs and expenses are recognized in period results upon (a) a decrease in economic benefits, associated with a decrease in assets or an increase in liabilities, and the value thereof may be reliably measured and (b) a disbursement does not generate future economic benefits or when it does not meet the necessary requirements for its registration as an asset.

Note 5. New and modified Standards and Interpretations

Note 5.1. Standards issued during the annual period ended December 31, 2022

During the annual period ended December 31, 2022, the International Accounting Standards Board IASB issued the following new standards and amendments:

- Amendment to IAS 1, applicable as of January 2024 with early adoption permitted,
- Amendment to IFRS 16, applicable as of January 2024.

Amendment to IAS 1 – Non-current Liabilities with Covenants (issued in October 2022)

This amendment, which amends IAS 1– Presentation of Financial Statements, aims to improve the information companies provide on long-term covenanted debt by enabling investors to understand the risk of early repayment of debt.

IAS 1 requires a company to classify debt as non-current only if the company can avoid settling the debt within 12 months of the reporting date. However, a company's ability to do so is often contingent on compliance with covenants. For example, a business might have long-term debt that could be repayable within 12 months if the business defaults in that 12-month period. The amendment requires a company to disclose information about these covenants in the notes to the financial statements.

No material effects are expected from the application of this Amendment.

Amendment to IFRS 16 – Lease Liability in a Sale and Leaseback (issued in September 2022)

This Amendment, which amends IFRS 16 – Leases, guides at the subsequent measurement that a company must apply when it sells an asset and subsequently leases the same asset to the new owner for a period.

IFRS 16 includes requirements on how to account for a sale with leaseback on the date the transaction takes place. However, this standard had not specified how to measure the transaction after that date. These amendments will not change the accounting for leases other than those arising in a sale-leaseback transaction.

No material effects are expected from the application of this Amendment.

Note 5.2. Standards applied as of 2022, issued prior to January 1, 2022

The following standards started to be applied as of January 1, 2022, according to the adoption date set by the IASB:

- Amendment to IAS 1,
- Amendment to IFRS 3,
- Amendment to IFRS 16,
- Amendment to IAS 37,
- Annual Improvements to IFRSs 2018-2020 Cycle

Note 5.3. Standards not yet in force at December 31, 2022, issued prior to January 1, 2022

The following Standards are not yet effective at December 31, 2022:

- IFRS 17 - Insurance Contracts, to be applied as of January 2023 pursuant to the Amendment thereto.
- Amendment to IAS 1, applicable as of January 2023.
- Amendment to IAS 8, applicable as of January 2023.
- Amendment to IAS 12, applicable as of January 2023 with early adoption permitted.
- Amendment to IFRS 17, applicable as of January 2023.

Note 5.4. Standards issued during the annual period ended December 31, 2021

During the annual period ended December 31, 2021, the International Accounting Standards Board IASB issued the following new standards and amendments:

- Amendment to IAS 1, applicable as of January 2023,
- Amendment to IAS 8, applicable as of January 2023,
- Amendment to IFRS 16, applicable as of April 1, 2021,
- Amendment to IAS 12, to be applied as of January 1, 2023 with early adoption permitted,
- Amendment to IFRS 17, applicable as of January 1, 2023.

Amendment to IAS 1 - Disclosure of Accounting Policies and Practice Statement (issued in February 2021)

This Amendment, which amends IAS 1 - Presentation of Financial Statements, guides companies in deciding what information about accounting policies should be disclosed to provide more useful information to investors and other primary users of financial statements. The Amendment requires companies to disclose material information about accounting policies by applying the concept of materiality in their disclosures.

No material effects are expected from the application of this Amendment.

Amendment to IAS 8 - Definition of Accounting Estimates (issued in February 2021)

This Amendment, which amends IAS 8 - Accounting Policies, Changes in Accounting Estimates and Errors, modified the definition of accounting estimates and included other amendments to assist entities in distinguishing changes in accounting estimates from changes in accounting policies. This distinction is important because changes in accounting estimates are applied prospectively only to future transactions and other future events, but changes in accounting policies are applied retrospectively to past transactions and other past events.

No material effects are expected from the application of this Amendment.

Amendment to IFRS 16 – Covid 19 – Related Rent Concessions (issued in March 2021)

The basic principles introduced when the Council first issued the Amendment in May 2020 are not affected. The Amendment is designed to extend by one year the period of application of the Covid-19 related lease concessions to assist lessees in accounting for their leases. Relief was extended to cover lease concessions for lease payments originally due on or before June 30, 2022.

No material effects are expected from the application of this Amendment.

Amendment to IAS 12 - Deferred Tax Related to Assets and Liabilities arising from a Single Transaction (issued in May 2021)

This Amendment, which amends IAS 12 Income Tax, details how companies must recognize deferred tax on transactions such as leases and decommissioning liabilities.

Under certain circumstances, companies are exempt from recognizing deferred taxes when they first recognize assets or liabilities. Previously, there was some uncertainty as to whether the exemption applied to transactions such as leases and decommissioning obligations, transactions for which companies recognize both an asset and a liability.

The amendments clarify that companies are required to recognize deferred tax on such transactions. The purpose of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning liabilities.

It is estimated that there will be no significant impact on the application of this Amendment as the Company adequately accrues the deferred tax on assets and liabilities arising from the application of IFRS 16 on lease transactions.

Amendment to IFRS 17 - Initial Application of IFRS 17 and IFRS 9 – Comparative Information (issued December 2021)

This Amendment, which modifies IFRS 17 - Insurance contracts, applies to entities that apply IFRS 17 and IFRS 9 simultaneously. Considering that these standards have different transition requirements, it is possible that temporary accounting imbalances arise between financial assets and liabilities related with the insurance contract in the comparative information shown in the financial statements upon applying such standards for the first time. The Amendment will help insurance companies to avoid such imbalances, and, consequently, will improve the usefulness of comparative information for investors. For this purpose, it provides insurance companies with an option to present comparative information regarding financial assets.

No material effects are expected from the application of this Amendment given that Exito Group and its subsidiaries do not apply IFRS 17.

Note 5.5. Standards applied as of 2021, issued prior to January 1, 2021

The following standards started to be applied as of January 1, 2021 according to the adoption date set by the IASB:

- Amendment to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 - IBOR Reform and its Effects on Financial Reporting - Phase 2 (issued in August 2020).

No material effects resulted from application of this Amendment.

Note 6. Relevant facts

Receipt of claim indemnity monies.

On January 10, 2022 the insurance company that was in charge of covering the losses arising from damages caused by the acts carried out against the infrastructure of Éxito stores in different cities of the country paid \$1,494 as part of the compensation for damages.

Extraordinary meeting of the General Meeting of Shareholders

Éxito's General Meeting of Shareholders was held on March 24, 2022, to resolve on the approval of a share payback process and its respective regulation.

Share payback process

On June 9, 2022, the process that have been approved by Éxito's General Meeting of Shareholders finished. As of result of that, Éxito payback 14.982.863 owned shares.

Extraordinary meeting of the General Meeting of Shareholders

Éxito's General Meeting of Shareholders was held on October 25, 2022, to resolve on the approval of a share's split process.

The split process is as follow:

- a. On September 30, 2022 Éxito's subscribed and paid-in capital is the amounts \$4,482,401,510 (*) represented in 448.240.151 common shares with a nominal value of \$10 (*) each; the number of outstanding shares is 432.621.453 and the number of treasuries shares reacquired is 15.618.698; the authorized capital is represented in 530,000,000 common shares.
- b. The share's split for subscribed and paid-in capital was made in a proportion of 3x1, increasing the common shares to 1.344.720.453 and decreasing its nominal value to \$3.3333 (*).

The new shares subscribed, and paid-in capital is calculated as follows: actual shares * proportion of share's split:
 $448.240.151 \times 3 = 1.344.720.453$.

The new nominal value for each share is calculated in two ways:

- Subscribed and paid-in capital / number of shares:
 $\$4,482,401,510 (*) / 1.344.720.453 = \$3.3333 (*)$ per share.
- Last nominal value / proportion of share's split:
 $\$10 (*) / 3 = \$3.3333 (*)$ per share.

- c. As of split result, the number of outstanding shares is 1.297.864.359 and the number of treasuries share reacquired is 46.856.094.
- d. Finally, authorized capital share is also subject to split.

The new shares authorized in capital is calculated as follows: actual shares * proportion of share's split:
 $530.000.000 \times 3 = 1.590.000.000$.

Note 7. Cash and cash equivalents

The balance of cash and cash equivalents is shown below:

	Year ended December 31,	
	2022	2021
Cash at banks and on hand	1,700,987	2,472,151
Fiduciary rights – money market like	30,652	68,716
Restricted funds (1)	1,139	-
Term deposit certificates	870	681
Other cash equivalents	25	31
Total cash and cash equivalents	1,733,673	2,541,579

(1) Represents the Collective Investment Fund with Fiduciaria Corficolombiana created to guarantee the payment of the lease fee on the Éxito Poblado and Cedi Avenida 68 properties. These funds must be maintained until March 2027, when the guaranteed contracts expire.

At December 31, 2022, the Éxito Group recognized interest income from cash at banks and on hand and cash equivalents in the amount of \$27,040 (December 31, 2021 - \$17,277), which were recognized as financial income as detailed in Note 32.

At December 31, 2022 and 2021, cash and cash equivalents were not restricted or levied in any way as to limit availability thereof.

Note 8. Trade receivables and other accounts receivable

The balance of trade receivables and other accounts receivable is shown below:

	Year ended December 31,	
	2022	2021
Trade receivables (Note 8.1)	506,342	387,353
Other accounts receivable (Note 8.2)	323,534	296,698
Total trade receivables and other accounts receivable	829,876	684,051
Current	779,355	625,931
Non-Current	50,521	58,120

Note 8.1. Trade receivables

The balance of trade receivables is shown below:

	Year ended December 31,	
	2022	2021
Trade accounts	385,766	272,920
Sale of real-estate project inventories	66,831	67,434
Rentals and dealers	64,260	62,426
Employee funds and lending	12,367	9,841
Allowance for expected credit loss	(22,882)	(25,268)
Trade receivables	506,342	387,353

The allowance for expected credit loss is recognized as expense in profit or loss. During the year ended December 31, 2022, the net effect of the allowance for expected credit loss on the statement of profit or loss represents expense of \$4,709 (\$8,027 - expense for the year ended December 31, 2021).

The movement in the allowance for expected credit losses during the periods was as follows:

Balance at December 31, 2020	27,560
Additions	39,615
Reversal of allowance for expected credit losses	(31,588)
Write-off of receivables	(10,049)
Effect of exchange difference from translation into presentation currency	(270)
Balance at December 31, 2021	25,268
Additions	30,802
Reversal of allowance for expected credit losses	(26,093)
Write-off of receivables	(4,976)
Effect of exchange difference from translation into presentation currency	(2,119)
Balance at December 31, 2022	22,882

An analysis is performed at each reporting date to estimate expected credit losses. The allowance rates are based on days past due for groupings of various customer segments with similar loss patterns (i.e., product type and customer rating). The calculation reflects the probability-weighted outcome and reasonable and supportable information that is available at the reporting date about past events and current conditions. Generally, trade receivables and other accounts receivable are written-off if past due for more than one year.

Note 8.2. Other accounts receivable

	Year ended December 31,	
	2022	2021
Recoverable taxes	106,631	32,474
Loans or advances to employees	84,885	78,088
Business agreements	57,989	84,973
Money transfer services	20,370	63,811
Money remittances	16,347	8,205
Sale of fixed assets, intangible assets and other assets	6,278	673
Maintenance fees	4,074	4,737
Long-term receivable	2,895	1,720
Factoring of trade receivables	272	4,503
Tax claims	-	1,360
Other	23,793	16,154
Total other accounts receivable	323,534	296,698

Note 8.3. Trade receivables and other accounts receivable by age

The detail by age of trade accounts receivable and other accounts receivable, without considering impairment, is shown below:

Period	Total	Less than 30 days	From 31 to 60 days	From 61 to 90 days	More than 90 days
December 31, 2022	852,758	740,340	13,667	5,778	92,973
December 31, 2021	709,319	603,596	16,150	5,201	84,372

Note 9. Prepayments

	Year ended December 31,	
	2022	2021
Insurance	20,161	19,359
Lease payments made before commencement date	9,645	10,658
Advertising	6,060	3,730
Maintenance	5,811	5,304
Other prepayments	4,462	6,659
Total prepayments	46,139	45,710
Current	39,774	36,515
Non-current	6,365	9,195

Note 10. Related parties

Note 10.1. Significant agreements

Transactions with related parties refer mainly to transactions between the Group Éxito and its associates, joint ventures and other related entities and were substantially accounted for in accordance with the prices, terms and conditions agreed upon between the parties. The agreements are detailed as follows:

- Casino Group:
 - (a) Casino international, International Retail Trade and Services IG and Distribution Casino France: Commercial agreement to regulate the terms pursuant to which Casino International renders international retail and trade services to Éxito Group (e.g., negotiation of commercial services with international suppliers, prospecting global suppliers and intermediating the purchases provided by Casino, purchase and importation of products and reimbursement for promotions realized in stores).
 - (b) Intermediation of renewals of certain insurance policies
 - (c) Euris, Casino Services y Casino Guichard Perrachon S.A.: Cost reimbursement agreements to encourage the exchange of knowledge and experience in certain areas of operation, as well as the reimbursement of expenses related to expatriates.
- Greenyellow Energía de Colombia S.A.S.: Service agreement will provide oversight and monitoring services relating to energy efficiency.
- Puntos Colombia S.A.S.: Agreement providing for the terms and conditions for the redemption of points collected under their loyalty program, among other services.
- Compañía de financiamiento TuyaS.A.: Partnership agreements to promote (i) the sale of products and services offered by Éxito Group through credit cards, (ii) the use of these credit cards in and out of the Éxito Group stores and (iii) the use of other financial services agreed between the parties inside Éxito Groupstores.
- Companhia Brasileira de Distribuição (CBD): Cost reimbursement agreement related to the sharing of know-how and experience of CBD on certain areas (strategy, finance, human resources, legal, communication and investors relations). The Company also entered into an agreement for the reimbursement of expenses related to the relocation of employees among the Éxito Group.

Note 10.2. Transactions with related parties

Transactions with related parties relate to revenue from retail sales and other services, as well as to costs and expenses related to risk management and technical assistance support, purchase of goods and services received.

The amount of revenue, costs and expenses arising from transactions with related parties is as follows:

	Revenue	
	Year ended December 31, 2022	2021
Joint ventures (1)	72,748	132,530
Casino Group companies (2)	4,606	7,972
Total revenue	77,354	140,502

Costs and expenses

	Year ended December 31,	
	2022	2021
Joint ventures (1)	110,665	89,299
Casino Group companies (2)	62,311	60,700
Controlling entity (3)	12,248	9,777
Members of the Board	2,666	1,593
Total revenue	187,890	161,369

(1) The amount of revenue and costs and expenses with each joint venture is as follows:

Revenue:

Description	Compañía de Financiamiento Tuya S.A.		Puntos Colombia S.A.S.	
	2022	Year ended December 31, 2021	2022	2021
Commercial activation recovery	53,398	52,047	-	-
Yield on bonus, coupons and energy	11,638	14,224	-	-
Lease of real estate	4,520	4,886	-	-
Services	1,837	923	1,355	1,401
Corporate collaboration agreement	-	59,049	-	-
Total revenue	71,393	131,129	1,355	1,401

Costs and expenses:

Description	Compañía de Financiamiento Tuya S.A.		Puntos Colombia S.A.S.	
	2022	Year ended December 31, 2021	2022	2021
Cost of customer loyalty program	-	-	100,301	83,649
Commissions on means of payment	10,364	5,650	-	-
Total costs and expenses	10,364	5,650	100,301	83,649

(2) Revenue mainly relates to the provision of services and success fees from suppliers. Costs and expenses accrued mainly arise from energy optimization services received and intermediation in the import of goods, procurement of goods and consultancy services.

Revenue by each company is as follows:

	Year ended December 31,	
	2022	2021
Greenyellow Energía de Colombia S.A.S.	1,901	442
Casino International	1,175	6,783
Relevan C Colombia S.A.S.	701	-
Distribution Casino France	534	48
International Retail and Trade Services IG.	295	699
Total revenue	4,606	7,972

Costs and expenses by each company are as follows:

	Year ended December 31,	
	2022	2021
Greenyellow Energía de Colombia S.A.S.	40,841	36,152
Casino Guichard Perrachon S.A.	14,229	12,975
Distribution Casino France	6,404	5,329
Relevan C Colombia S.A.S.	595	-
Casino Services	229	2,778
Cdiscount S.A.	13	43
Euris	-	1,742
International Retail and Trade Services IG.	-	1,681
Total costs and expenses	62,311	60,700

(3) Costs and expenses related to consulting services provided by Companhia Brasileira de Distribuição – CBD.

Note 10.3. Other information on related party transactions

Financial assets measured at fair value through other comprehensive income

Éxito Group has 659,383 shares in Cnova NV in the amount of \$9,222.

Financial assets measured at amortized cost

According to Note 12, Éxito Group has investment in bonds issued by Compañía de Financiamiento Tuya S.A., which has the intention and capability of holding to obtain contractual cash flows until maturity in amount of \$- (December 31, 2021 - \$5,046). The interests on these bonds are at market terms and conditions.

Note 10.4. Receivable from related parties

	Receivable		Other non-financial assets	
	Year ended December 31, 2022	2021	Year ended December 31, 2022	2021
Joint ventures (1)	41,909	47,739	35,000	24,500
Casino Group companies (2)	4,925	8,448	-	-
Controlling entity (3)	288	288	-	-
Total	47,122	56,475	35,000	24,500
Current	47,122	56,475	-	-
Non-Current	-	-	35,000	24,500

(1) Balances relate to the following joint ventures and the following detail:

- The balance of receivables by joint ventures is shown below:

Description	Compañía de Financiamiento Tuya S.A.		Puntos Colombia S.A.S.		Sara ANV S.A.	
	Year ended December 31, 2022	2021	Year ended December 31, 2022	2021	Year ended December 31, 2022	2021
Reimbursement of shared expenses, collection of coupons and other	5,407	4,403	-	-	-	-
Corporate collaboration agreement (a)	-	10,494	-	-	-	-
Redemption of points	-	-	33,805	30,356	-	-
Other services	2,329	2,229	-	257	368	-
Total receivable	7,736	17,126	33,805	30,613	368	-

(a) The decrease in the results of Compañía de Financiamiento Tuya S.A. it has generated a loss on this joint venture, recognized using the equity method and, additionally, it has not income from the participation in the collaboration agreement.

- Other non-financial assets:

The balance of \$35,000 at December 31, 2022 and \$24,500 at December 31, 2021, relates to payments made to Compañía de Financiamiento Tuya S.A. for the future subscription of shares. Given that prior to December 31, 2022 and December 31, 2021, Compañía de Financiamiento Tuya S.A. had not received authorization from the Colombian Financial Superintendence to register a capital increase, amounts disbursed were not recognized as an investment in such company. During the year ended December 31, 2022, Compañía de Financiamiento Tuya S.A. effectively subscribed and issued shares for the amount of \$44,493 representing an increase in such investment.

(2) Receivable from Casino Group companies represents reimbursement for payments to expats, supplier agreements and energy efficiency solutions.

	Year ended December 31,	
	2022	2021
Casino International	3,893	7,341
International Retail and Trade Services	344	725
Distribution Casino France	232	49
Relevan C Colombia S.A.S.	193	-
Casino Services	7	7
Greenyellow Energía de Colombia S.A.S.	2	113
Other	254	213
Total Casino Group companies	4,925	8,448

(3) Represents the balance of personnel expenses receivable from Companhia Brasileira de Distribuição - CBD.

Note 10.5. Payables to related parties

The balance of payables to related parties is shown below:

	Year ended December 31,	
	2022	2021
Joint ventures (1)	62,772	42,619
Casino Group companies (2)	16,374	23,027
Members of the Board	43	-
Total	79,189	65,646

(1) Mainly represents the balance outstanding in favor of Puntos Colombia S.A.S. arising from points (accumulations) issued.

(2) Payables to Casino Group companies such as energy efficiency solutions received, intermediation in the import of goods, and consulting and technical assistance services.

	Year ended December 31,	
	2022	2021
Casino Guichard Perrachon S.A.	14,659	11,415
Distribution Casino France	934	224
Relevan C Colombia S.A.S.	508	-
Greenyellow Energía de Colombia S.A.S.	125	9,456
Casino Services	100	1,637
International Retail and Trade Services IG	-	164
Other	48	131
Total Casino Group companies	16,374	23,027

Note 10.6. Other financial liabilities with related parties

	Year ended December 31,	
	2022	2021
Joint ventures (1)	26,218	17,461
Total	26,218	17,461

(1) Mainly represents collections received from customers related to the Tarjeta Éxito cards owned by Tuya.

Note 10.7. Key management personnel compensation

Transactions between the Éxito Group and key management personnel, including legal representatives and/or administrators, mainly relate to labor agreements executed by and between the parties.

Compensation of key management personnel is as follows:

	Year ended December 31,	
	2022	2021
Short-term employee benefits	96,078	89,817
Post-employment benefits	2,318	2,427
Total key management personnel compensation	98,396	92,244

Note 11. Inventories, net and cost of sales

Note 11.1. Inventories, net

	Year ended December 31,	
	2022	2021
Inventories (1)	2,640,995	1,973,452
Inventories in transit	73,066	65,884
Raw materials	29,105	10,668
Materials, spares, accessories and consumable packaging	18,941	11,536
Production in process	5,123	25,244
Real estate project inventories	3,213	17,519
Total inventories (2)	2,770,443	2,104,303

(1) The movement of the allowance for losses on inventory obsolescence and damages during the reporting periods is shown below:

Balance at December 31, 2020	18,316
Allowance recognized during the period	5,251
Allowance reversal	(11,095)
Effect of exchange difference from translation into presentation currency	(113)
Balance at December 31, 2021	12,359
Allowance recognized during the period	2,313
Allowance reversal	(500)
Effect of exchange difference from translation into presentation currency	(1,022)
Balance at December 31, 2022	13,150

(2) Includes \$21,901 of products sold in 2021, which do not affect the reasonableness of cost of sales for 2022.

At December 31, 2022, there are no restrictions or liens on the sale of inventories.

Note 11.2. Cost of sales

The following is the information related with the cost of sales, allowance for losses on inventory obsolescence and damages, and allowance reversal on inventories:

	Year ended December 31,	
	2022	2021
Cost of goods sold (1)	17,086,294	13,794,658
Logistics costs (2)	579,791	493,630
Damage and loss	202,573	171,747
(Reversal) allowance for inventory losses, net	1,813	(5,844)
Trade discounts and purchase rebates	(2,490,381)	(1,965,335)
Total cost of sales	15,380,090	12,488,856

(1) At December 31, 2022 includes \$98,259 of depreciation and amortization cost (December 31, 2021 - \$82,311).

(2) At December 31, 2022 includes \$308,614 of employee benefits (December 31, 2021 - \$274,557).

Note 12. Financial assets

The balance of financial assets is shown below:

	Year ended December 31,	
	2022	2021
Financial assets measured at fair value through other comprehensive income	29,043	29,392
Derivative financial instruments (1)	27,300	11,057
Derivative financial instruments designated as hedge instruments (2)	14,480	6,023
Financial assets measured at amortized cost (3)	6,939	6,896
Financial assets measured at fair value through profit or loss	622	1,593
Total financial assets	78,384	54,961
Current	45,812	14,331
Non-current	32,572	40,630

(1) Relates to forward and swap contracts used to hedge the variation in the exchange rates and interest rates of financial liabilities in foreign currency. The fair value of these instruments is estimated based on valuation models who use variables other than quoted prices, directly or indirectly observable for financial assets or liabilities.

The detail of maturities of these instruments at December 31, 2022 was as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	-	24,382	2,918	-	-	27,300

The detail of maturities of these instruments at December 31, 2021 was as follows:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	3,016	4,587	3,454	-	-	11,057

(2) Derivative instruments designated as hedging instrument relates to interest and exchange rate swaps. The fair value of these instruments is determined based on valuation models.

At December 31, 2022, relates to the following transactions:

	Nature of risk hedged	Hedged item	Range of rates for hedged item	Range of rates for hedge instruments	Fair value
Swap	Interest rate	Loans and borrowings	IBR 3M e IBR 1M	9.0120% y 3.9%	14,480

The detail of maturities of these hedge instruments at December 31, 2022 is shown below:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Swap	-	3,980	4,725	4,149	1,626	14,480

At December 31, 2021, relates to the following transactions:

	Nature of risk hedged	Hedged item	Range of rates for hedged item	Range of rates for hedge instruments	Fair value
Swap	Interest rate	Loans and borrowings	IBR 3M	2.0545% - 2.145%	6,023

The detail of maturities of these hedge instruments at December 31, 2021 is shown below:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Swap	(262)	-	483	2,470	3,332	6,023

(3) Financial assets measured at amortized cost represented:

	Year ended December 31,	
	2022	2021
Term deposit	5,461	-
National Treasury bonds	1,478	1,850
Investment in bonds (a)	-	5,046
Total financial assets measured at amortized cost	6,939	6,896

(a) Investment in bonds issued by Tuya and for which Éxito had the intention and capability of holding to obtain contractual cash flows until maturity. These investments were part of Tarjeta Éxito corporate collaboration agreement. At December 31, 2022 the nominal value amounts to \$-(December 31, 2021 - \$5,000) and the maturity ranged from 1 to 10 years and yields CPI + 6%.

In 2021, the decrease arised from the maturity of the investment.

At December 31, 2022 and 2021, there are no restrictions or liens on financial assets that restrict their sale, except for (a) the investment in bonds of Compañía de Financiamiento Tuya S.A. which were issued as part of the business collaboration agreement on Tarjeta Éxito, and (b) judicial deposits relevant to the subsidiary Libertad S.A.

None of the assets were impaired at December 31, 2022 and 2021.

Note 13. Leases

Note 13.1 Right of use asset, net

	Year ended December 31,	
	2022	2021
Right of use asset	2,826,607	2,553,975
Accumulated depreciation	(1,377,029)	(1,183,463)
Impairment	(6,109)	-
Total right of use asset, net	1,443,469	1,370,512

The movement of right of use asset and depreciation thereof, during the reporting periods, is shown below:

Cost

Balance at December 31, 2020	2,301,890
Increase from new contracts	97,446
Remeasurements from existing contracts (1)	170,764
Derecognition, reversal and disposal (2)	(43,987)
Effect of exchange differences on translation into presentation currency	27,862
Balance at December 31, 2021	2,553,975
Increase from new contracts	174,190
Increase from new contracts, prepaid	7,002
Remeasurements from existing contracts (1)	137,047
Derecognition, reversal and disposal (2)	(166,587)
Hyperinflation adjustments	2,149
Effect of exchange differences on the translation into presentation currency	118,831
Balance at December 31, 2022	2,826,607

Accumulated depreciation

Balance at December 31, 2020	984,345
Depreciation	214,930
Remeasurements from existing contracts (1)	(320)
Derecognition and disposal (2)	(27,746)
Effect of exchange differences on the translation into presentation currency	12,254
Balance at December 31, 2021	1,183,463
Depreciation	242,119
Remeasurements from existing contracts (1)	(1,190)
Derecognition and disposal (2)	(105,459)
Hyperinflation adjustments	517
Effect of exchange differences on the translation into presentation currency	57,579
Balance at December 31, 2022	1,377,029

Impairment

Balance at December 31, 2021	-
Impairment loss (3)	5,236
Effect of exchange differences on the translation into presentation currency	873
Balance at December 31, 2022	6,109

- (1) Mainly results from the extension of contract terms, indexation or lease modifications.
- (2) Mainly results from the early termination of lease contracts.
- (3) Mainly results from the impairment of lease contracts of the subsidiary Grupo Disco del Uruguay S.A..

The cost of right of use asset by class of underlying asset is shown below:

	Year ended December 31,	
	2022	2021
Lands	9,128	6,373
Buildings	2,782,432	2,512,434
Vehicles	24,771	26,876
Equipment	10,276	8,292
Total	2,826,607	2,553,975

Accumulated of depreciation of right of use assets by class of underlying asset is shown below:

	Year ended December 31,	
	2022	2021
Lands	4,754	2,958
Buildings	1,357,351	1,163,200
Vehicles	10,182	14,947
Equipment	4,742	2,358
Total	1,377,029	1,183,463

Depreciation expense by class of underlying asset is shown below:

	Year ended December 31,	
	2022	2021
Lands	631	429
Buildings	234,907	206,666
Vehicles	4,876	5,903
Equipment	1,705	1,932
Total depreciation	242,119	214,930

The Éxito Group is not exposed to the future cash outflows for extension options and termination options. Additionally, there are no residual value guarantees, and there are no restrictions or covenants related to these leases.

As at December 31, 2022, the average remaining term of lease contracts is 8.8 years (9.2 years as at December 31, 2021), which is also the average remaining period over which the right of use asset is depreciated.

Note 13.2 Lease liability

	Year ended December 31,	
	2022	2021
Lease liabilities	1,655,955	1,594,643
Current	263,175	234,178
Non-current	1,392,780	1,360,465

Balance at December 31, 2020	1,542,895
Additions	96,738
Accrued interest	94,555
Remeasurements	171,083
Terminations	(15,406)
Payments of lease liabilities including interests	(315,739)
Effect of exchange differences on translation into presentation currency	20,601
Other	(84)
Balance at December 31, 2021	1,594,643
Additions	174,190
Accrued interest	99,324
Remeasurements	138,237
Terminations	(66,937)
Payments of lease liabilities including interests	(363,316)
Effect of exchange differences on the translation into presentation currency	79,950
Other	(136)
Balance at December 31, 2022	1,655,955

Below are the future lease liability payments at December 31, 2022:

Up to one year	337,809
From 1 to 5 years	991,809
More than 5 years	782,572
Minimum lease liability payments	2,112,190
Future financing (expenses)	(456,235)
Total minimum net lease liability payments	1,655,955

The Éxito Group is not exposed to the future cash outflows for extension options or termination options. Additionally, there are no residual value guarantees, and there are no restrictions nor covenants imposed by leases.

Note 13.3. Short term leases and leases of low value assets of the Éxito Group as a lessee

Leases of low value assets are for items such as furniture and fixtures, computers, machinery and equipment and office equipment; lease contracts regarding all underlying assets with terms of less than one year, and lease contracts on intangible assets, and whose lease contracts which its payment is variable.

Variable lease payments apply to some of the Éxito Group's property leases and are detailed below:

	Year ended December 31,	
	2022	2021
Variable lease payments	54,711	39,768
Short term leases	11,288	9,896
Total	65,999	49,664

Note 13.4. Operating leases of the Éxito Group as a lessor

The Éxito Group has executed operating lease agreements on investment properties. Total future minimum instalments under non-cancellable operating lease agreements at the reporting dates are:

	Year ended December 31,	
	2022	2021
Up to one year	227,423	204,750
From 1 to 5 years	270,281	244,942
More than 5 years	163,414	153,603
Total minimum instalments under non-cancellable operating leases	661,118	603,295

Operating lease agreements cannot be cancelled during their term. Prior agreement of the parties is needed to terminate and a minimum cancellation payment is required ranging from 1 to 12 monthly instalments, or a fixed percentage on the remaining term.

For the year ended December 31, 2022 lease rental income was \$409,009 (December 31, 2021 - \$302,262) mostly comprised of investment property rental income for \$340,746 (December 31, 2021 - \$300,541). Income from variable lease payments was \$225,506 (December 31, 2021 - \$162,172).

Note 14. Intangible

The net balance of intangible, net is shown below:

	Year ended December 31,	
	2022	2021
Trademarks	299,688	242,170
Computer software	274,480	249,324
Rights	24,703	22,538
Other	147	114
Total cost of other intangible assets	599,018	514,146
Accumulated amortization	(174,338)	(150,159)
Total other intangible assets, net	424,680	363,987

The movement of the cost of intangible and of accumulated depreciation is shown below:

Cost	Trademarks (1)	Computer software	Rights (2)	Other	Total
Balance at December 31, 2020	213,325	208,148	28,118	86	449,677
Additions	-	40,003	2,771	-	42,774
Disposals and derecognition	-	(2,140)	(9,266)	-	(11,406)
Effect of exchange differences on translation into presentation currency	6,386	1,823	(57)	(3)	8,149
Hyperinflation adjustments	22,459	-	972	31	23,462
Transfers	-	470	-	-	470
Other	-	1,020	-	-	1,020
Balance at December 31, 2021	242,170	249,324	22,538	114	514,146
Additions	-	27,519	-	-	27,519
Disposals and derecognition	-	(10,191)	-	-	(10,191)
Effect of exchange differences on translation into presentation currency	13,804	8,275	(613)	(27)	21,439
Hyperinflation adjustments	43,714	-	2,778	60	46,552
Transfers	-	(410)	-	-	(410)
Other	-	(37)	-	-	(37)
Balance at December 31, 2022	299,688	274,480	24,703	147	599,018

Accumulated amortization	Computer software	Rights (2)	Other	Total
Balance at December 31, 2020	132,380	183	51	132,614
Amortization	17,684	6	3	17,693
Effect of exchange differences on translation into presentation currency	1,503	(9)	(3)	1,491
Hyperinflation adjustments	-	506	37	543
Disposals and derecognition	(1,941)	-	-	(1,941)
Other	(235)	(6)	-	(241)
Balance at December 31, 2021	149,391	680	88	150,159
Amortization	26,737	479	-	27,216
Effect of exchange differences on translation into presentation currency	6,692	(203)	(26)	6,463
Hyperinflation adjustments	-	1,105	63	1,168
Disposals and derecognition	(10,190)	-	-	(10,190)
Other	-	(479)	1	(478)
Balance at December 31, 2022	172,630	1,582	126	174,338

(1) The balance relates to the following trademarks:

Operating segment	Brand	Useful life	Year ended December 31,	
			2022	2021
Uruguay	Miscellaneous	Indefinite	128,103	94,319
Low cost and other (Colombia)	Súper Inter	Indefinite	63,704	63,704
Argentina	Libertad	Indefinite	90,454	66,720
Low cost and other (Colombia)	Surtimax	Indefinite	17,427	17,427
			299,688	242,170

The trademarks have an indefinite useful life. The Éxito Group estimates that there is no foreseeable time limit over which these assets are expected to generate net cash inflows, and consequently they are not amortized.

(2) Recognition of contracts executed in December 2021 in amount of \$2,771, December 2017 in amount of \$2,226, December 2016 in amount of \$11,522 and September 2016 in amount of \$13,238 for the acquisition of rights to exploit commercial premises and recognition in 2020 of impairment of the rights to exploit trade premises in amount of \$9,266.

The rights have an indefinite useful life. The Éxito Group estimates that there is no foreseeable time limit over which these assets are expected to generate net cash inflows, and consequently these are not amortized, except for rights of Libertad S.A.

For asset impairment testing purposes, the rights acquired in 2021 in amount of \$2,771 were allocated to Carulla.

Information about impairment testing is disclosed in Note 34.

At December 31, 2022 and 2021, intangible are not limited or subject to lien that would restrict their sale. In addition, there are no commitments to acquire or develop other intangible assets.

Note 15. Investment property, net

Éxito Group's investment properties are business premises and land held to generate income from operating leases or future appreciation of their value.

The net balance of investment properties is shown below:

	Year ended December 31,	
	2022	2021
Land	312,399	281,119
Buildings	1,744,190	1,597,106
Constructions in progress	109,563	29,059
Total cost of investment property	2,166,152	1,907,284
Accumulated depreciation	(317,665)	(241,348)
Impairment	(7,259)	(9,691)
Total investment property, net	1,841,228	1,656,245

The movement of the cost of investment property, accumulated depreciation and impairment loss during the reporting periods is shown below:

Cost	Land	Buildings	Constructions in progress	Total
Balance at December 31, 2020	287,392	1,467,363	12,072	1,766,827
Additions	629	63,445	22,075	86,149
(Decrease) from transfers (to) property, plant and equipment	(19,657)	(31,809)	(3,385)	(54,851)
(Decrease) from transfers (to) real estate project inventories	(776)	-	-	(776)
Disposals and derecognition	-	(6,276)	-	(6,276)
Effect of exchange differences on the translation into presentation currency	3,589	(8,769)	(29)	(5,209)
Hyperinflation adjustments	10,366	113,108	220	123,694
Other	(424)	44	(1,894)	(2,274)
Balance at December 31, 2021	281,119	1,597,106	29,059	1,907,284
Additions	-	1,618	80,220	81,838
Increase from transfers from property, plant and equipment	1,643	11,128	2,860	15,631
Increase (decrease) from movements between investment properties accounts	-	2,756	(2,756)	-
Disposals and derecognition	(39)	(1,844)	-	(1,883)
Increases from transfers from non-current assets	1,229	1,844	-	3,073
Effect of exchange differences on the translation into presentation currency	8,852	(88,535)	(262)	(79,945)
Hyperinflation adjustments	20,175	220,592	569	241,336
Other	(580)	(475)	(127)	(1,182)
Balance at December 31, 2022	312,399	1,744,190	109,563	2,166,152

Accumulated depreciation

	Buildings
Balance at December 31, 2020	179,820
Depreciation expenses	30,180
Increase arising from transfers from property, plant and equipment accounts	16
Disposals and derecognition	(71)
Effect of exchange differences on the translation into presentation currency	(1,741)
Hyperinflation adjustments	33,365
Other	(221)
Balance at December 31, 2021	241,348
Depreciation expenses	31,174
Decrease arising from transfers (to) property, plant and equipment accounts	(526)
Disposals and derecognition	(189)
Increases from transfers from non-current assets	870
Effect of exchange differences on the translation into presentation currency	(21,452)
Hyperinflation adjustments	66,589
Other	(149)
Balance at December 31, 2022	317,665

Impairment

	Land	Buildings	Total
Balance at December 31, 2020	1,668	6,593	8,261
Impairment loss	336	7,538	7,874
Reversal of Impairment loss	(192)	(868)	(1,060)
Disposals and derecognition	-	(5,384)	(5,384)
Balance at December 31, 2021	1,812	7,879	9,691
Impairment loss	-	556	556
Reversal of Impairment loss	(173)	(2,259)	(2,432)
Disposals and derecognition	-	(556)	(556)
Balance at December 31, 2022	1,639	5,620	7,259

At December 31, 2022 and 2021, there are no limitations or liens imposed on investment property that restrict realization or tradability thereof.

At December 31, 2022 and 2021, the Éxito Group is not committed to acquire, build or develop new investment property.

Information about impairment testing is disclosed in Note 34. Note 35 discloses the fair value of investment property, based on the appraisal carried out by an independent third party.

During the years ended December 31, 2022 and 2021 the results at the Éxito Group from the investment property are as follows:

	Year ended December 31,	
	2022	2021
Lease rental income	340,746	300,541
Operating expense related to leased investment properties	(75,031)	(75,210)
Operating expense related to investment properties that are not leased	(81,306)	(71,138)
Net gain from investment property	184,409	154,193

Note 16. Property, plant and equipment, net

	Year ended December 31,	
	2022	2021
Land	1,278,822	1,137,865
Buildings	2,348,627	2,115,633
Machinery and equipment	1,176,246	1,033,499
Furniture and fixtures	789,622	655,019
Assets under construction	50,305	45,009
Installations	197,097	132,928
Improvements to third-party properties	776,293	635,377
Vehicles	28,712	23,873
Computers	404,938	346,091
Other property, plant and equipment	16,050	16,050
Total property, plant and equipment, gross	7,066,712	6,141,344
Accumulated depreciation	(2,587,996)	(2,111,908)
Impairment	(4,436)	(4,739)
Total property, plant and equipment, net	4,474,280	4,024,697

The movement of the cost of property, plant and equipment, accumulated depreciation and impairment loss during the reporting periods is shown below:

Cost	Land	Buildings	Machinery and equipment	Furniture and fixtures	Assets under construction	Installations	Improvements to third party properties	Vehicles	Computers	Other property, plant and equipment	Total
Balance at December 31, 2020	1,036,406	1,953,328	941,022	588,683	64,137	111,435	542,153	19,659	232,345	16,050	5,505,218
Additions	1,506	39,396	113,128	59,137	28,519	3,296	45,476	525	130,303	-	421,286
(Decrease) increase from movements between property, plant and equipment accounts	-	(22,546)	2,499	6,202	(34,331)	6,477	40,500	433	766	-	-
Increase (decrease) from transfers from (to) investment property	19,657	40,682	259	-	(5,747)	-	-	-	-	-	54,851
Disposals and derecognition	-	(3,896)	(25,685)	(13,343)	(716)	(15)	(12,489)	(1,713)	(12,487)	-	(70,244)
Effect of exchange differences on translation into presentation currency	9,904	21,306	7,910	10,098	1,087	11,735	20,779	(278)	2,824	-	85,365
Increase (decrease) from transfers to (from) other balance sheet accounts	424	1,191	(17,846)	(6,610)	(10,496)	-	(1,042)	1,890	(20,257)	-	(62,746)
Hyperinflation adjustments	69,968	86,172	12,112	10,852	2,556	-	-	3,357	12,597	-	197,614
Balance at December 31, 2021	1,137,865	2,115,633	1,033,499	655,019	45,009	132,928	635,377	23,873	346,091	16,050	6,141,344
Additions	8,922	28,881	138,155	82,438	70,190	2,377	65,911	1,879	44,697	-	443,450
Increase (decrease) from movements between property, plant and equipment accounts	-	4,165	3,745	19,713	(49,114)	12,771	8,713	-	7	-	-
(Decrease) from transfers from (to) investment property	(1,643)	(1,756)	-	-	(12,232)	-	-	-	-	-	(15,631)
(Decrease) assets by transfers to non current assets held for sale	(446)	-	-	-	(647)	-	-	-	-	-	(1,093)
Disposals and derecognition	(466)	(2,436)	(29,871)	(11,784)	(627)	(957)	(20,755)	(226)	(9,613)	-	(76,735)
Effect of exchange differences on translation into presentation currency	6,219	36,390	27,542	38,182	2,496	49,978	89,656	(2,633)	5,065	-	252,895
(Decrease) Increase from transfers to (from) other balance sheet accounts	(929)	(741)	(18,610)	(11,548)	(266)	-	(2,609)	143	(5,078)	-	(39,638)
Hyperinflation adjustments	129,300	168,491	21,786	17,602	(4,504)	-	-	5,676	23,769	-	362,120
Balance at December 31, 2022	1,278,822	2,348,627	1,176,246	789,622	50,305	197,097	776,293	28,712	404,938	16,050	7,066,712

Accumulated depreciation	Land	Buildings	Machinery and equipment	Furniture and fixtures	Assets under construction	Installations	Improvements to third party properties	Vehicles	Computers	Other property, plant and equipment	Total
Balance at December 31, 2020		392,003	483,306	378,479		63,572	275,384	15,072	177,537	4,797	1,790,150
Depreciation		49,909	86,118	56,701		8,152	30,637	1,675	31,408	788	265,388
Disposals and derecognition		(1,178)	(18,607)	(9,535)		(5)	(6,254)	(1,582)	(11,815)	-	(48,976)
(Decrease) from transfers (to) investment property		(16)	-	-		-	-	-	-	-	(16)
Effect of exchange differences on translation into presentation currency		5,102	5,460	8,889		6,790	8,541	(231)	2,289	-	36,840
Other		(278)	(489)	-		-	-	(5)	6	-	(766)
Hyperinflation adjustments		34,532	10,057	9,068		-	-	3,048	12,583	-	69,288
Balance at December 31, 2021		480,074	565,845	443,602		78,509	308,308	17,977	212,008	5,585	2,111,908
Depreciation		51,704	88,988	58,975		9,933	36,580	2,097	34,328	788	283,393
Disposals and derecognition		(669)	(23,868)	(9,317)		(509)	(16,858)	(193)	(9,562)	-	(60,976)
Increase from transfers (to) investment property		526	-	-		-	-	-	-	-	526
(Decrease) assets by transfers to non current assets held for sale		(436)	-	-		-	-	-	-	-	(436)
Effect of exchange differences on translation into presentation currency		5,988	18,227	32,472		29,690	34,381	(2,339)	3,806	-	122,225
Other		32	(7)	-		-	-	(333)	1,307	-	999
Hyperinflation adjustments		67,528	18,408	15,673		-	-	5,585	23,163	-	130,357
Balance at December 31, 2022		604,747	667,593	541,405		117,623	362,411	22,794	265,050	6,373	2,587,996

Impairment	Land	Buildings	Machinery and equipment	Furniture and fixtures	Assets under construction	Installations	Improvements to third party properties	Vehicles	Computers	Other property, plant and equipment	Total
Balance at December 31, 2020	1,921	2,984	-	-	-	-	2,561	-	-	-	7,466
Impairment loss	-	756	-	-	-	-	1,735	-	-	-	2,491
Reversal of Impairment loss	(1,921)	(2,857)	-	-	-	-	-	-	-	-	(4,778)
Disposals and derecognition	-	(756)	-	-	-	-	-	-	-	-	(756)
Effect of exchange differences on translation into presentation currency	-	-	-	-	-	-	316	-	-	-	316
Balance at December 31, 2021	-	127	-	-	-	-	4,612	-	-	-	4,739
Impairment loss	-	241	-	-	-	-	1,403	-	-	-	1,644
Reversal of Impairment loss	-	(17)	-	-	-	-	(2,786)	-	-	-	(2,803)
Disposals and derecognition	-	(241)	-	-	-	-	(239)	-	-	-	(480)
Effect of exchange differences on translation into presentation currency	-	-	-	-	-	-	1,336	-	-	-	1,336
Balance at December 31, 2022	-	110	-	-	-	-	4,326	-	-	-	4,436

Assets under construction are represented by those assets in process of construction and process of assembly not ready for their intended use as expected by Éxito Group management, and on which costs directly attributable to the construction process continue to be capitalized if they are qualifying assets.

The cost of property, plant and equipment does not include the balance of estimated dismantling and similar costs, based on the assessment and analysis made by the Éxito Group which concluded that there are no contractual or legal obligations at acquisition.

At December 31, 2022 and 2021 no restrictions or liens have been imposed on items of property, plant and equipment that limit their sale, and there are no commitments to acquire, build or develop property, plant and equipment.

Information about impairment testing is disclosed in Note 34.

Note 16.1 Additions to property, plant and equipment for cash flow presentation purposes

	Year ended December 31,	
	2022	2021
Additions	443,450	421,286
Additions to trade payables for deferred purchases of property, plant and equipment	(546,817)	(411,044)
Payments for deferred purchases of property, plant and equipment	484,182	320,208
Acquisition of property, plant and equipment in cash	380,815	330,450

Note 17. Goodwill

Changes in goodwill are shown below:

	Cost	Impairment	Net
Balance at December 31, 2020	2,854,552	(1,017)	2,853,535
Effect of exchange differences on the translation into presentation currency	86,805	-	86,805
Hyperinflation adjustments	84,643	-	84,643
Balance at December 31, 2021	3,026,000	(1,017)	3,024,983
Effect of exchange differences on the translation into presentation currency	294,578	-	294,578
Hyperinflation adjustments	164,742	-	164,742
Balance at December 31, 2022	3,485,320	(1,017)	3,484,303

Goodwill was not impaired at December 31, 2022 and 2021.

Information about impairment testing is disclosed in Note 34.

Note 18.2. Financial information

Financial information regarding investments accounted for using the equity method at December 31, 2022:

Companies	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Equity	Revenue from ordinary activities	Income from continuing operations	Total other comprehensive income
Compañía de Financiamiento Tuya S.A.	4,968,085	133,262	2,160,570	2,400,687	540,090	1,530,333	(73,266)	(73,266)
Puntos Colombia S.A.S.	196,826	37,789	199,105	12,483	23,027	320,137	3,826	3,826
Sara ANV S.A.	850	1,230	380	-	1,700	-	-	-

Note 18.4. Other information

The reconciliation of summarized financial information reported to the carrying amount of associates and joint ventures in the consolidated financial statements is shown below:

Companies	Net assets	December 31, 2022		
		Ownership percentage	Proportionate share of net assets	Carrying amount (1)
Compañía de Financiamiento Tuya S.A.	540,090	50%	270,045	287,611
Puntos Colombia S.A.S.	23,027	50%	11,514	11,514
Sara ANV S.A.	1,700	50%	850	799

Companies	Net assets	December 31, 2021		
		Ownership percentage	Proportionate share of net assets	Carrying amount (1)
Compañía de Financiamiento Tuya S.A.	524,356	50.00%	262,178	279,753
Puntos Colombia S.A.S.	19,201	50.00%	9,601	9,601

(1) Amount of investment and goodwill.

No dividends were received from joint ventures during the years ended December 31, 2022 and December 31, 2021.

There are no restrictions on the capability of joint ventures to transfer funds in the form of cash dividends, or loan repayments or advance payments.

There are not contingent liabilities incurred related to its participation therein.

There are no constructive obligations acquired on behalf of joint ventures arising from losses exceeding the interest held in them.

These investments have no restrictions or liens that affect the interest held in them.

Note 19. Non-cash transactions

During 2022 and 2021, the Éxito Group had non-cash additions to property, plant and equipment, and to right of use assets, that were not included in the statement of cash flow, presented in Note 13 and 15, respectively.

Note 20. Loans and borrowing

The balance of loans and borrowing is shown below:

	Year ended December 31,	
	2022	2021
Bank loans	791,098	898,267
Put option on non-controlling interests (1)	651,899	509,870
Letters of credit	12,587	8,874
Total loans and borrowing	1,455,584	1,417,011
Current	915,604	674,927
Non-current	539,980	742,084

(1) The Éxito Group has an exercisable put option on the shares held by the non-controlling shareholders of Group Disco del Uruguay S.A. Such put option is exercisable at any time, based on a formula that uses data such as net income, EBITDA - earnings before interest, taxes, depreciation and amortization - and net debt.

The movement in loans and borrowing during the reporting periods is shown below:

Balance at December 31, 2020	1,455,662
Proceeds from loans and borrowing	370,620
Changes in the fair value of the put option recognized in equity	92,485
Interest accrued	52,593
Exchange difference	725
Translation difference	(62)
Repayments of loans and borrowings	(500,834)
Repayments of interest on loans and borrowings	(54,178)
Balance at December 31, 2021	1,417,011
Proceeds from loans and borrowing	876,798
Changes in the fair value of the put option recognized in equity	142,028
Interest accrued	111,234
Translation difference	3,250
Repayments of loans and borrowings	(995,865)
Repayments of interest on loans and borrowings	(98,872)
Balance at December 31, 2022	1,455,584

Below is a detail of maturities for non-current loans and borrowings outstanding at December 31, 2022, discounted at present value:

Year	Total
2024	318,791
2025	114,935
2026	60,183
>2027	46,071
	539,980

Éxito Group has available unused credit lines to minimize liquidity risks, as follows:

	As at December 31, 2022
Banco Davivienda S.A.	500,000
Bancolombia S.A.	500,000
Total	1,000,000

Covenants

As long as Éxito Group has payment obligations arising from the contracts executed on March 27, 2020, Éxito Group is committed to maintain a leverage financial ratio of less than 2.8x. Such ratio will be measured annually on April 30 or, if not a working day, the next working day, based on the audited separate financial statements for each annual period.

As at December 31, 2022 and 2021, Éxito Group complied with its covenants.

Note 21. Employee benefits

The balance of employee benefits is shown below:

	Year ended December 31,	
	2022	2021
Defined benefit plans	35,091	18,794
Long-term benefit plan	1,554	1,584
Total employee benefits	36,645	20,378
Current	4,555	2,482
Non-Current	32,090	17,896

Note 21.1. Defined benefit plans

The Éxito Group has the following defined benefit plans:

a. Retirement pension plan

Under the plan, each employees will receive, upon retirement, a monthly pension payment, pension adjustments pursuant to legal regulations, survivor's pension, assistance with funeral expenses and June and December bonuses established by law. Such amount depends on factors such as: employee age, time of service and salary.

Éxito Group is responsible for the payment of retirement pensions to employees who meet the following requirements: (a) employees who at January 1, 1967 had served more than 20 years (full liability), and (b) employees and former employees who at January 1, 1967 had served more than 10 years but less than 20 years (partial liability).

b. Retroactive severance pay plan

Retroactivity of severance pay is estimated for those employees whom labor laws applicable are those prior to Law 50 of 1990, and who did not move to the new severance pay system. Under the plan, will be paid employees upon retirement a retroactive amount as severance pay, after deduction of advance payments. This social benefit is calculated over the entire time of service, based on the latest salary earned.

Such benefits are estimated on an annual basis or whenever there are material changes, using the projected credit unit. During the years ended December 31, 2022 and 2021, there were no material changes in the methods or nature of assumptions applied when preparing the estimates and sensitivity analyses.

Balances and movement:

The following are balances and movement of defined benefit plans:

	Retirement Pensions	Retroactive severance pay	Total
Balance at December 31, 2020	20,542	583	21,125
Cost of current service	-	15	15
Cost of past service	1,227	-	1,227
Interest expense	1,146	24	1,170
Actuarial loss (gain) from changes in experience	675	(57)	618
Actuarial gain from financial assumptions	(2,915)	(32)	(2,947)
Benefits paid	(2,242)	(172)	(2,414)
Balance at December 31, 2021	18,433	361	18,794
Cost of current service	16,419	11	16,430
Interest expense	2,655	26	2,681
Actuarial loss from changes in experience	118	40	158
Actuarial gain (losses) from financial assumptions	(3,290)	18	(3,272)
Benefits paid	(2,401)	(53)	(2,454)
Effect of exchange differences on translation	2,754	-	2,754
Balance at December 31, 2022	34,688	403	35,091

Actuarial assumptions used for calculation:

Discount rates, salary increase rates, inflation rates and death dates are as follows:

	Year ended December 31,			
	2022		2021	
	Retirement pensions	Retroactive severance pay	Retirement pensions	Retroactive severance pay
Discount rate	13.7%	13.60%	8.50%	7.80%
Annual salary increase rate	5.5%	5.5%	3.50%	3.50%
Future annuities increase rate	4.5%	0.00%	3.50%	-
Annual inflation rate	5.5%	5.5%	3.50%	3.50%
Mortality rate - men (years)	60-62	60-62	60-62	60-62
Mortality rate - women (years)	55-57	55-57	55-57	55-57
Mortality rate - men	0.001117% - 0.034032%	0.001117% - 0.034032%	0.001117% - 0.034032%	0.001117% - 0.034032%
Mortality rate - women	0.000627% - 0.019177%	0.000627% - 0.019177%	0.000627% - 0.019177%	0.000627% - 0.019177%

Employee turnover, disability and early retirement rates:

Years of service	Year ended December 31,	
	2022	2021
From 0 to less than 5	20.56%	25.70%
From 5 to less than 10	10.01%	12.51%
From 10 to less than 15	5.89%	7.37%
From 15 to less than 20	4.39%	5.49%
From 20 to less than 25	3.37%	4.22%
25 and more	2.54%	3.18%

Sensitivity analysis:

A quantitative sensitivity analysis regarding a change in a relevant actuarial assumption, would affect in the following variation over defined benefit plans net liability, using for that sensitive analysis the assumptions for changes in discount rate and annual salary increase rate:

Variation expressed in basis points	Year ended December 31,			
	2022		2021	
	Retirement Pensions	Retroactive severance pay	Retirement Pensions	Retroactive severance pay
Discount rate + 25	(187)	(3)	(283)	(4)
Discount rate - 25	192	3	292	4
Discount rate + 50	(370)	(6)	(558)	(7)
Discount rate - 50	389	6	594	7
Discount rate + 100	(722)	(11)	(1,083)	(14)
Discount rate - 100	799	12	1,225	15
Annual salary increase rate + 25	N/A	5	N/A	7
Annual salary increase rate - 25	N/A	(5)	N/A	(7)
Annual salary increase rate + 50	N/A	10	N/A	13
Annual salary increase rate - 50	N/A	(10)	N/A	(13)
Annual salary increase rate + 100	N/A	20	N/A	27
Annual salary increase rate - 100	N/A	(19)	N/A	(26)

Contributions for the next years funded with Éxito Group's own resources are foreseen as follows:

Year	Year ended December 31,			
	2022		2021	
	Retirement pensions	Retroactive severance pay	Retirement pensions	Retroactive severance pay
2022	-	-	2,256	5
2023	2,427	59	2,249	49
2024	2,437	4	2,218	4
2025	2,419	185	2,172	163
>2026	38,126	385	29,626	285
Total	45,409	633	38,521	506

Other considerations:

The average duration of the liability for defined benefit plans at December 31, 2022 is 5.5 years (December 31, 2021 - 6.8 years).

The Éxito Group has no specific assets intended for guaranteeing the defined benefit plans.

The defined contribution plan expense at December 31, 2022 amounted to \$127,618 (December 31, 2021 - \$101,042).

Note 21.2. Long-term benefit plans

The long-term benefit plans involve a time-of-service bonus associated to years of service payable to the employees of Almacenes Éxito S.A. and to the employees of subsidiaries Logística, Transporte y Servicios Asociados S.A.S.

Such benefit is estimated on an annual basis or whenever there are material changes, using the projected credit unit. During the years ended December 31, 2022 and December 31, 2021, there were no material changes in the methods or nature assumptions applied when preparing the estimates and sensitivity analyses.

During 2015 Almacenes Éxito S.A. reached agreement with several employees who voluntarily decided to replace the time-of-service bonus with a special single one-time bonus.

Balances and movement:

The following are balances and movement of the long-term defined benefit plan:

Balance at December 31, 2020	1,779
Cost of current service	74
Interest expense	89
Actuarial loss from change in experience	75
Benefits paid	(246)
Actuarial gain from financial assumptions	(187)
Balance at December 31, 2021	1,584
Cost of current service	78
Past service Cost	(13)
Interest expense	115
Actuarial loss from change in experience	200
Benefits paid	(93)
Actuarial gain from financial assumptions	(317)
Balance at December 31, 2022	1,554

Actuarial assumptions used to make the calculations:

Discount rates, salary increase rates, inflation rates and death dates are as follows:

	Year ended December 31,	
	2022	2021
Discount rate	13.60%	8.10%
Annual salary increase rate	5.5%	3.50%
Annual inflation rate	5.5%	3.50%
Mortality rate - men	0.001117% - 0.034032%	0.001117% - 0.034032%
Mortality rate - women	0.000627% - 0.019177%	0.000627% - 0.019177%

Employee turnover, disability and early retirement rates are as follows:

Years of service	Year ended December 31,	
	2022	2021
From 0 to less than 5	20.56%	25.70%
From 5 to less than 10	10.01%	12.51%
From 10 to less than 15	5.89%	7.37%
From 15 to less than 20	4.39%	5.49%
From 20 to less than 25	3.37%	4.22%
25 and more	2.54%	3.18%

Sensitivity analysis:

A quantitative sensitivity analysis regarding a change in a relevant actuarial assumption, would affect in the following variation over long-term benefit plans net liability, using for that sensitive analysis the assumptions for changes in discount rate and annual salary increase rate:

Variation expressed in basis points	Year ended December 31,	
	2022	2021
Discount rate + 25	(15)	(18)
Discount rate - 25	16	19
Discount rate + 50	(31)	(37)
Discount rate - 50	32	38
Discount rate + 100	(60)	(72)
Discount rate - 100	65	78
Annual salary increase rate + 25	17	16
Annual salary increase rate - 25	(17)	(16)
Annual salary increase rate + 50	34	32
Annual salary increase rate - 50	(33)	(31)
Annual salary increase rate + 100	70	65
Annual salary increase rate - 100	(65)	(61)

Contributions for the next years funded with Éxito Group's own resources are foreseen as follows:

Year	Year ended December 31,	
	2022	2021
2022	-	221
2023	207	169
2024	343	300
2025	373	319
>2026	2,009	1,498
Total	2,932	2,507

Other considerations:

The average duration of the liability for long-term benefits at December 31, 2022 is 4.3 years (December 31, 2021 - 5.1 years).

The Éxito Group has not devoted specific assets to guarantee payment of the time-of-service bonus.

The effect on the statement of profit or loss from the long-term benefit plan at December 31, 2022 was recognized as an income in the amount of \$82 (December 31, 2021 was recognized as a expense in the amount of \$129).

Note 22. Provisions

The balance of provisions is shown below:

	Year ended December 31,	
	2022	2021
Legal proceedings (1)	19,101	17,595
Restructuring	10,517	2,708
Taxes other than income tax	4,473	3,549
Other	8,286	11,409
Total provisions	42,377	35,261
Current	27,123	24,175
Non-current	15,254	11,086

At December 31, 2022 and 2021, there are no provisions for onerous contracts.

(1) Provisions for lawsuits are recognized to cover estimated potential losses arising from lawsuits brought against the Éxito Group, related to labor, civil, administrative and regulatory matters, which are assessed based on the best estimation of cash outflows required to settle a liability on the date of preparation of the financial statements. The balance is comprised of:

	Year ended December 31,	
	2022	2021
Labor legal proceedings	10,902	10,418
Civil legal proceedings	5,516	5,371
Administrative and regulatory proceedings	2,683	1,806
Total legal proceedings	19,101	17,595

Balances and movement of provisions during the reporting periods are as follows:

	Legal proceedings	Taxes other than income tax	Restructuring	Other	Total
Balance at December 31, 2020	15,648	6,828	4,323	17,875	44,674
Increase	14,597	-	13,801	11,225	39,623
Uses	(9)	-	(12)	-	(21)
Payments	(9,093)	-	(12,059)	(16,962)	(38,114)
Reversals (not used)	(3,801)	(3,273)	(1,103)	(711)	(8,888)
Other reclassifications	72	-	(2,086)	17	(1,997)
Effect of exchange differences on the translation into presentation currency	181	(6)	(156)	(35)	(16)
Balance at December 31, 2021	17,595	3,549	2,708	11,409	35,261
Increase	8,141	967	15,211	7,672	31,991
Uses	(787)	-	-	-	(787)
Payments	(2,838)	-	(5,448)	(9,483)	(17,769)
Reversals (not used)	(3,462)	-	(920)	(1,047)	(5,429)
Other reclassifications	-	-	(485)	-	(485)
Effect of exchange differences on the translation into presentation currency	452	(43)	(549)	(265)	(405)
Balance at December 31, 2022	19,101	4,473	10,517	8,286	42,377

Note 23. Trade payables and other payable

	Year ended December 31,	
	2022	2021
Payables to suppliers of goods	3,080,264	2,418,848
Payables and other payable - agreements (1)	1,485,905	1,866,092
Payables to other suppliers	406,595	323,333
Employee benefits	354,431	278,325
Purchase of assets	186,421	120,748
Tax payable	149,557	120,188
Dividends payable	10,886	22,487
Other	47,716	36,534
Total trade payables and other payable	5,721,775	5,186,555
Current	5,651,303	5,136,626
Non-current	70,472	49,929

(1) The detail of payables and other payable - agreements is shown below:

	Year ended December 31,	
	2022	2021
Payables to suppliers of goods	1,439,118	1,771,857
Payables to other suppliers	46,787	93,921
Purchase of assets	-	314
Total payables and other payable - agreements	1,485,905	1,866,092

In Colombia, receivable anticipation transactions are initiated by suppliers who, at their sole discretion, choose the banks that will advance financial resources before invoice due dates, according to terms and conditions negotiated with the Exito Group. The Group cannot direct a preferred or financially related bank to the supplier or refuse to carry out transactions, as local legislation ensures the supplier's right to freely transfer the title/receivable to any bank through endorsement. Therefore, there is no direct agreement between the Group and a bank or financial agent with the objective of structuring operations involving purchases or payments with its suppliers.

Exito Group has entered into agreements with some financial institutions in Colombia, which grant an additional payment period, without interest charges, so that the Group can reconcile information on receivables anticipated by suppliers and process other operational and administrative aspects given the significant volume of transactions, as well as allowing its Colombian suppliers to use lines of credit and anticipate their receivables arising from the sale of goods and services to the Exito Group. The granting of additional time is a market practice in Colombia and is indiscriminately obtained by other retailers and players in other business segments in the country.

Note 24. Income tax

Note 24.1. Tax regulations applicable to Almacenes Éxito S.A. and to its Colombian subsidiaries

Income tax rate applicable to Almacenes Éxito S.A. and its Colombian subsidiaries

- a. For taxable 2022 the income tax rate for legal entities is 35%. For taxable 2021 the income tax rate for legal entities is 31%.
- b. For 2021, the base to assess the income tax under the presumptive income model is 0% of the net equity held on the last day of the immediately preceding taxable period (0.5% in 2020).

Law 2277 of December 13, 2022 – Tax reform for equality and social justice

The Congress of the Republic of Colombia approved on December 13, 2022 Law 2277 through which a tax reform for equality and social justice is adopted and other provisions are issued.

In relation to income tax, the following are the main modifications applicable to Almacenes Éxito S.A. and its Colombian subsidiaries that will come into effect as of 2023:

- a. Income tax and complementary:
 - The minimum tax rate calculated on financial profit may not be less than 15%, if so, it will increase by the percentage points required to reach the indicated effective rate;
 - 100% of the industry and commerce, notices and boards tax is deductible;
 - The benefits and tax incentives may not exceed 3% per year of ordinary net income;
 - The rate on occasional earnings for companies, national and foreign entities is 15%.
- b. Others:
 - Profits from the sale of shares listed on the stock market do not constitute income or occasional gain as long as said sale does not exceed 3% of the outstanding shares, during the same taxable year;
 - The tax on dividends distributed to natural persons residing in Colombia is 7.5%, for national companies it is 10% and for natural persons not residing in Colombia and foreign companies it is 20%, when such dividends have been taxed, at the head of the companies that distribute it;
 - The reacquisition of shares, participations or quotas of social interest by the companies that issue them constitutes ordinary liquid income for the partners, shareholders or participants.

Tax credits of Almacenes Éxito S.A. and its Colombian subsidiaries

Pursuant to tax regulations in force as of 2017, the time limit to offset tax losses is 12 years following the year in which the loss was incurred.

Excess presumptive income over ordinary income may be offset against ordinary net income assessed within the following five years.

Company losses are not transferrable to shareholders. In no event tax losses arising from revenue other than income and occasional gains, and from costs and deductions not related with the generation of taxable income, will be offset against the taxpayer's net income.

(a) Tax credits of Almacenes Éxito S.A.

At December 31, 2022 Almacenes Éxito S.A. has accrued \$211,190 (at December 31, 2021 - \$346,559) excess presumptive income over net income.

The movement of Almacenes Éxito's S.A. excess presumptive income over net income during the reporting year is shown below:

Balance at December 31, 2020	518,013
Offsetting of presumptive income against net income for the period	(171,454)
Balance at December 31, 2021	346,559
Offsetting of presumptive income against net income for the period	(135,369)
Balance at December 31, 2022	211,190

At December 31, 2022, Almacenes Éxito S.A. has accrued tax losses amounting to \$740,337 (at December 31, 2021 - \$738,261).

The movement of tax losses at Almacenes Éxito S.A. during the reporting year is shown below:

Balance at December 31, 2020	738,261
Adjustment to tax losses from prior periods	-
Balance at December 31, 2021	738,261
Adjustment to tax losses from prior periods	2,076
Balance at December 31, 2022	740,337

(b) Movement of tax losses for Colombian subsidiaries for the reporting years is shown below

Balance at December 31, 2020	26,773
Transacciones Energéticas S.A.S. E.S.P. (i)	33,380
Depósitos y Soluciones Logísticas S.A.S.	78
Éxito Industrias S.A.S.	(26,324)
Marketplace Internacional Éxito y Servicios S.A.S.	(283)
Balance at December 31, 2021	33,624
Transacciones Energéticas S.A.S. E.S.P. (i)	158
Depósitos y Soluciones Logísticas S.A.S.	(220)
Balance at December 31, 2022	33,562

(i) No deferred tax has been calculated for this tax losses due there is not certain about the recoverability with future taxable income.

(c) The movement of the offsetting of tax credits from Almacenes Éxito S.A. and Colombian subsidiaries is as follows:

	Year ended December 31,	
	2022	2021
Offsetting of presumptive income against net income for the period of Almacenes Éxito S.A.	(135,369)	(171,454)
Offsetting of tax losses from the period of Depósitos y Soluciones Logísticas S.A.S	(220)	-
Offsetting of presumptive income against net income for the period Depósitos y Soluciones Logísticas S.A.S	(27)	-
Offsetting of tax losses from the period of Éxito Industrias S.A.S.	-	(18,795)
Offsetting of tax losses from the period of Marketplace Internacional Éxito y Servicios S.A.S.	-	(278)
Offsetting of presumptive income against net income for the period of Marketplace Internacional Éxito y Servicios S.A.S.	-	(16)
Total	(135,616)	(190,543)

Note 24.2. Tax rates applicable to foreign subsidiaries

Income tax rates applicable to foreign subsidiaries are:

- Uruguay applies a 25% income tax rate in 2022 (25% in 2021);
- Argentina applies a 30% income tax rate in 2022 (35% in 2021).

Note 24.3. Current tax assets and liabilities

The balances of current tax assets and liabilities recognized in the statement of financial position are:

Current tax assets:

	Year ended December 31,	
	2022	2021
Income tax balance receivable by Almacenes Éxito S.A. and its Colombian subsidiaries	282,659	228,040
Tax discounts applied by Almacenes Éxito S.A. and its Colombian subsidiaries	111,440	88,369
Industry and trade tax advances and withholdings of Almacenes Éxito S.A. and its Colombian subsidiaries	63,408	56,231
Tax discounts of Éxito from taxes paid abroad	24,631	23,899
Other current tax assets of subsidiary Spice Investment Mercosur S.A.	18,268	14,605
Current income tax assets of subsidiary Spice Investments Mercosur S.A.	8,007	3,008
Current income tax assets of subsidiary Onper Investment 2015 S.L.	1,024	15,364
Other current tax assets of subsidiary Onper Investment 2015 S.L.	447	109
Total current tax assets	509,884	429,625

Current tax liabilities

	Year ended December 31,	
	2022	2021
Industry and trade tax payable of Almacenes Éxito S.A. and its Colombian subsidiaries	92,815	77,284
Current income tax liabilities of some Colombian subsidiaries	10,976	-
Taxes of subsidiary Onper Investment 2015 S.L. other than income tax	3,743	3,490
Tax on real estate of Almacenes Éxito S.A. and its Colombian subsidiaries	1,762	516
Taxes of subsidiary Spice Investments Mercosur S.A. other than income tax	430	229
Total current tax liabilities	109,726	81,519

Note 24.4. Income tax

The components of the income tax expense recognized in the statement of profit or loss were:

	Year ended December 31,	
	2022	2021
Current income tax (expense)	(183,105)	(122,096)
Adjustment in respect of current income tax of prior periods	(9,164)	(526)
Changes in tax rates	(78,382)	34,012
Deferred income tax (expense) (Note 24.5)	(55,051)	(49,060)
Total income tax (expense)	(325,702)	(137,670)

The reconciliation of average effective tax rate to applicable tax rate is shown below:

	Year ended December 31,			Rate
	2022	Rate	2021	
Profit before income tax from continuing operations	574,940		730,887	
Tax expense at enacted tax rate in Colombia	(201,229)	(35%)	(226,575)	(31%)
Unrecognition deferred tax from prior periods	3,407		(11,638)	
Adjustment to current taxes from prior periods	(9,164)		(526)	
Tax impact of readjustment to carry forward losses	727		-	
Non-deductible / Non taxable domestic operation	(27,410)		2,556	
Equity method in joint venture domestic operations	(12,152)		2,243	
Tax rates differences from foreign operations	22,362		11,228	
Accounting effects of NCI domestic operations without tax impact	31,991		22,408	
Non-deductible/ Non taxable foreign operation	(55,852)		28,622	
Changes in tax rates	(78,382)		34,012	
Total income tax expense	(325,702)	(57%)	(137,670)	(19%)

Note 24.5. Deferred tax

	Year ended December 31,			
	2022		2021	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Tax losses	259,118	-	258,710	-
Excess presumptive income	73,917	-	121,296	-
Tax credits	62,943	-	82,257	-
Other provisions	10,893	-	24,188	-
Investment property	-	(148,031)	-	(123,114)
Goodwill	-	(218,308)	-	(144,997)
Property, plant and equipment	59,162	(341,631)	80,113	(328,311)
Leases	641,886	(553,947)	656,222	(581,055)
Other	103,215	(84,341)	28,264	(35,163)
Total	1,211,134	(1,346,258)	1,251,050	(1,212,640)

The breakdown of deferred tax assets and liabilities for the three jurisdictions in which the Éxito Group operates are grouped as follows:

	Year ended December 31,			
	2022		2021	
	Deferred tax assets	Deferred tax liabilities	Deferred tax assets	Deferred tax liabilities
Colombia	98,372	-	150,888	-
Uruguay	44,217	-	54,273	-
Argentina	-	(277,713)	-	(166,751)
Total	142,589	(277,713)	205,161	(166,751)

The movement of net deferred tax to the statement of profit or loss and the statement of comprehensive income is shown below:

	Year ended December 31,	
	2022	2021
(Expense) benefit from deferred tax recognized in income	(55,051)	(49,060)
Adjustment with respect to the current income tax of previous periods	(9,164)	(526)
Changes in tax rates	(78,382)	34,012
Expense from deferred tax recognized in other comprehensive income	(206)	(5,982)
Effect of the translation of the deferred tax recognized in other comprehensive income (1)	(30,731)	(56,024)
Total movement of net deferred tax	(173,534)	(77,580)

(1) Such effect resulting from the translation at the closing rate of deferred tax assets and liabilities of foreign subsidiaries is included in the line item "Exchange difference from translation" in Other comprehensive income (Note 27).

Temporary differences related to investments in associates and joint ventures, for which no deferred tax liabilities have been recognized at December 31, 2022 amounted to \$32,279 (at December 31, 2021 - \$66,999).

Note 24.6. Effects of the distribution of dividends on the income tax

There are no income tax consequences attached to the payment of dividends in either 2022 or 2021 by the Éxito Group to its shareholders.

Note 24.7. Non-Current tax liabilities

The \$2,749 balance at December 31, 2022 (at December 31, 2021 - \$3,924) relates to taxes payable of subsidiary Libertad S.A. for federal taxes and incentive program by instalments.

Note 25. Derivative instruments and collections on behalf of third parties

	Year ended December 31,	
	2022	2021
Collections on behalf of third parties (1)	130,819	80,710
Derivative financial instruments (2)	5,404	592
Derivative financial instruments designated as hedge instruments (3)	-	242
Total	136,223	81,544

(1) Collections on behalf of third parties includes amounts received for services where the Éxito Group acts as an agent, such as travel agency sales, and payments and banking services provided to customers.

(2) The detail of maturities of these instruments at December 31, 2022 is shown below:

Derivative	Less than 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	3,149	2,255	-	-	5,404

The detail of maturities of these instruments at December 31, 2021 is shown below:

Derivative	Less than 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Forward	309	283	-	-	592

(3) Derivative instruments under hedge accounting are as follows:

At December 31, 2022 and 2021, swap transactions was used to hedge exchange and/or interest risks of financial liabilities taken to acquire property, plant and equipment.

The Éxito Group documents the hedge relationship and conduct effectiveness testing from initial recognition and over the time of the hedge relationship until its derecognition. No ineffectiveness has been identified during the reporting periods.

At December 31, 2021:

Hedge instrument	Nature of risk Hedged	Hedged item	Nature of the hedge	Range of rates for the hedged item	Range of rates for hedge instruments	Fair value
Swap	Interest rate	Loans and borrowings	Cash-flow hedge	IBR 3M	2.0545% - 2.145%	242

The detail of maturities of these hedge instruments is shown below:

	Less than 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	More than 12 months	Total
Swap	-	242	-	-	-	242

Note 26. Other liabilities

The balance of other liabilities is shown below:

	Year ended December 31,	
	2022	2021
Deferred revenues (1)	154,265	174,395
Customer loyalty programs	56,165	37,015
Advance on contract covering assets held for sale	14,360	2,046
Advance payments under lease agreements and other projects	4,891	5,655
Repurchase coupon	942	99
Instalments received under "plan reservalo"	284	260
Total other liabilities	230,907	219,470
Current	228,496	217,303
Non-Current	2,411	2,167

(1) Mainly relates to payments received for the future sale of products through means of payment, property leases and strategic alliances.

The movement of deferred revenue and customer loyalty programs, and the related revenue recognized during the reporting years, is shown below:

	Deferred revenue	Customer loyalty programs
Balance at December 31, 2020	130,974	29,180
Additions	1,174,455	14,608
Revenue recognized	(1,130,709)	(10,075)
Others	-	258
Effect of exchange difference from translation into presentation currency	(325)	3,044
Balance at December 31, 2021	174,395	37,015
Additions	1,290,023	19,053
Revenue recognized	(1,309,193)	(13,736)
Others	-	407
Effect of exchange difference from translation into presentation currency	(960)	13,426
Balance at December 31, 2022	154,265	56,165

Note 27. Shareholders' equity

At December 31, 2022 Almacenes Éxito S.A. authorized capital is represented in 1.590,000,000 common shares with a nominal value of \$3.3333 colombian pesos each. At December 31, 2021 Almacenes Éxito S.A. authorized capital is represented in 530,000,000 common shares with a nominal value of \$10 colombian pesos each.

The number of outstanding shares is 1.344.720.453 and the number of treasury shares reacquired is 46.856.094. Share were adjusted because of share's split process (Note 6).

The rights attached to the shares are speaking and voting rights per each share. No privileges have been granted on the shares, nor are the shares restricted in any way. Further, there are no option contracts on Almacenes Éxito S.A. shares.

The premium on placement of shares represents the surplus paid over the par value of the shares. Pursuant to Colombian legal regulations, this balance may be distributed as profits upon winding-up of the company, or upon capitalization of this value. Capitalization means the transfer of a portion of such premium to a capital account as result of the issue of a share-based dividend.

Reserves

Reserves are appropriations made by Almacenes Éxito's S.A. General Meeting of Shareholders on the results of prior periods. In addition to the legal reserve, there is an occasional reserve, a reserve for acquisition of treasury shares and a reserve for future dividend distribution.

Other accumulated comprehensive income

The tax effect on the components of other comprehensive income is shown below:

	Year ended December 31,			2021		
	2022					
	Gross value	Tax effect	Net value	Gross value	Tax effect	Net value
Loss from financial instruments designated at fair value through other comprehensive income						
Income	(16,202)	-	(16,202)	(12,199)	-	(12,199)
Remeasurement loss on defined benefit plans	(536)	334	(202)	(3,582)	1,257	(2,325)
Translation exchange differences	(997,445)	-	(997,445)	(1,264,252)	-	(1,264,252)
Gain (loss) from cash-flow hedges	12,939	(4,529)	8,410	6,023	(2,108)	3,915
Loss on hedge of net investment in foreign operations	(18,977)	-	(18,977)	(18,312)	(3,138)	(21,450)
Total other accumulated comprehensive income	(1,020,221)	(4,195)	(1,024,416)	(1,292,322)	(3,989)	(1,296,311)
Other accumulated comprehensive income of non-controlling interests			(57,514)			(56,154)
Other accumulated comprehensive income of the parent			(966,902)			(1,240,157)

Note 28. Revenue from contracts with customers

The amount of revenue from contracts with customers is as shown:

	Year ended December 31,	
	2022	2021
Retail sales (1) (Note 40)	19,754,076	16,105,756
Service revenue (2)	741,246	609,303
Other revenue (3)	124,351	207,326
Total revenue from contracts with customers	20,619,673	16,922,385

(1) Retail sales represent the sale of goods and real estate projects net of returns and sales rebates. This amount includes the following items:

	Year ended December 31,	
	2022	2021
Retail sales, net of sales returns and rebates	19,725,311	16,048,995
Sale of real estate project inventories (a)	28,765	56,761
Total retail sales	19,754,076	16,105,756

(a) At December 31, 2022, represents the sale of a percentage of the Montevideo real estate project inventory in the amount of \$26,620 and the sale of a percentage of La Secreta real estate project inventory in the amount of \$2,505. At December 31, 2021, represents the sale of a percentage of the Montevideo real estate project inventory in the amount of \$56,306 and the sale of a percentage of La Secreta real estate project inventory in the amount of \$455.

(2) Revenues from services and rental income comprise:

	Year ended December 31,	
	2022	2021
Leases and real estate related income	409,009	302,262
Advertising	94,802	80,300
Distributors	84,424	94,988
Telephone services	34,811	30,517
Transport	29,837	31,449
Commissions	27,354	25,931
Banking services	19,082	16,392
Other	41,927	27,464
Total service revenue	741,246	609,303

(3) Other revenue relates to:

	Year ended December 31,	
	2022	2021
Real estate projects (a)	63,203	87,174
Marketing events	19,402	18,305
Royalty revenue	7,158	14,682
Collaboration agreements (b)	4,809	63,742
Other	29,779	23,423
Total other revenue	124,351	207,326

(a) For 2022, it corresponds mainly to the bonus received for operating results generated in real estate projects for \$32,948, to the bonus received to ensure the permanence in a leased property for \$6,000 and to income from compliance with commercial alliance goals for \$4,422. For 2021, it corresponds mainly to income from fees for the development and construction of real estate projects for \$74,938.

(b) Represents revenue from the following collaboration agreements:

	Year ended December 31,	
	2022	2021
Compañía de Financiamiento Tuya S.A.	-	59,050
Kiire	3,656	3,106
Éxito Media	1,153	1,586
Total revenue from collaboration agreements	4,809	63,742

Note 29. Distribution, administrative and selling expenses

The amount of distribution, administrative and selling expenses by nature is:

	Year ended December 31,	
	2022	2021
Employee benefits (Note 30)	1,577,911	1,285,924
Depreciation and amortization	505,068	465,073
Taxes other than income tax	343,794	266,605
Services	290,308	234,801
Fuels and power	251,046	192,001
Repairs and maintenance	242,659	202,209
Advertising	165,589	143,073
Commissions on debit and credit cards	139,288	102,285
Professional fees	100,002	85,281
Leases	61,234	46,502
Packaging and marking materials	55,874	41,085
Insurance	48,036	42,934
Transport	44,904	47,359
Administration of trade premises	43,382	37,421
Other	362,792	297,367
Total distribution, administrative and selling expenses	4,231,887	3,489,920
Distribution expenses	2,253,239	1,856,544
Administrative and selling expenses	400,737	347,452
Employee benefit expenses	1,577,911	1,285,924

Note 30. Employee benefit expenses

The amount of employee benefit expenses incurred by each significant category is as follows:

	Year ended December 31,	
	2022	2021
Wages and salaries	1,284,582	1,062,505
Contributions to the social security system	45,453	35,160
Other short-term employee benefits	54,695	52,968
Total short-term employee benefit expenses	1,384,730	1,150,633
Post-employment benefit expenses, defined contribution plans	127,618	101,042
Post-employment benefit expenses, defined benefit plans	16,472	1,174
Total post-employment benefit expenses	144,090	102,216
Termination benefit expenses	14,506	6,702
Other personnel expenses	34,667	26,502
Other long-term employee benefits	(82)	(129)
Total employee benefit expenses	1,577,911	1,285,924

The cost of employee benefit include in cost of sales is shown in Note 11.2.

Note 31. Other operating expenses, net

	Year ended December 31,	
	2022	2021
Reversal of allowance for expected credit loss on trade receivables	26,093	31,588
Tax on wealth expense	(21,239)	(15,981)
Restructuring expenses, net	(14,291)	(12,698)
Write-off of assets	(13,507)	(20,524)
Impairment loss on assets	(2,201)	(4,527)
(Loss) gain from the early termination of lease contracts	5,809	(835)
Gain from the sale of assets	19,597	4,266
Other	(17,823)	(5,490)
Total other operating expenses, net	(17,562)	(24,201)

Note 32. Financial income and cost

The amount of financial income and cost is as follows:

	Year ended December 31,	
	2022	2021
Gain from derivative financial instruments	74,864	25,287
Gain from exchange differences	51,006	52,167
Gain from fair value changes in derivative financial instruments	28,824	28,261
Interest income on cash and cash equivalents (Note 7)	27,040	17,277
Net monetary position results, effect of the statement of profit or loss (1)	21,993	-
Other financial income	16,182	50,827
Total financial income	219,909	173,819
Loss from exchange differences	(181,719)	(89,890)
Net monetary position expense, effect of the statement of financial position	(111,754)	(6,191)
Interest expense on loan and borrowings	(111,234)	(52,593)
Interest expense on lease liabilities	(99,324)	(94,555)
Net monetary position results, effect of the statement of profit or loss (1)	-	(62,100)
Factoring expenses	(51,537)	(34,048)
Loss from fair value changes in derivative financial instruments	(15,611)	(1,481)
Loss from derivative financial instruments	(12,846)	(14,862)
Other financial expenses	(11,224)	(8,739)
Commission expenses	(5,134)	(5,115)
Total financial cost	(600,383)	(369,574)
Net financial result	(380,474)	(195,755)

(1) The indicator used to adjust for inflation in the financial statements of Libertad S.A. is Internal Wholesales Price Index (IPIM) published by Instituto Nacional de Estadística y Censos de la República Argentina (INDEC). Indicators and corresponding conversion coefficients are presented below:

	Índice de precios	Factor de conversión (veces)
December 31, 2015	100.00	10.000
January 1, 2020	446.28	2.241
December 31, 2020	595.19	1.680
December 31, 2021	900.78	1.110
December 31, 2022	1,754.58	0.570

Note 33. Earnings per share

Basic earnings per share are calculated based on the weighted average number of outstanding shares of each category during the year. There were no dilutive potential ordinary shares outstanding at the end of the reporting period.

The calculation of basic earnings per share for all periods presented has been adjusted retrospectively for the effects of the share split (Note 6).

	Year ended December 31,	
	2022	2021
Net profit attributable to shareholders of the parent	99,072	474,681
Ordinary shares attributable to basic earnings per share (basic and diluted)	1,297,864,359	1,297,864,359
Basic and diluted earnings per share attributable to the shareholders of the parent (in Colombian pesos)	76.33	365.74

	Year ended December 31,	
	2022	2021
Net profit from continuing operations	249,238	593,217
Less: net income from continuing operations attributable to non-controlling interests	150,166	118,256
Net profit from continuing operations attributable to the shareholders of the parent	99,072	474,961
Ordinary shares attributable to basic earnings per share (basic and diluted)	1,297,864,359	1,297,864,359
Basic and diluted earnings per share from continuing operations attributable to the shareholders of the parent (in Colombian pesos)	76.33	365.96

	Year ended December 31,	
	2022	2021
Net (loss) from discontinued operations	-	(280)
Less: net income from discontinued operations attributable to non-controlling interests	-	-
Net (loss) from discontinued operations attributable to the shareholders of the parent	-	(280)
Ordinary shares attributable to basic earnings per share (basic and diluted)	1,297,864,359	1,297,864,359
Basic and diluted (loss) per share from discontinued operations attributable to the shareholders of the parent (in Colombian pesos)	-	(0.22)

Note 34. Impairment of assets

Note 34.1. Financial assets

No impairment losses on financial assets were identified at December 31, 2022 and 2021, except on trade receivables and other accounts receivable (Note 8).

Note 34.2. Non-financial assets

December 31, 2022

The carrying amount of the groups of cash-generating units is made of property, plant and equipment, investment properties, other intangible assets other than goodwill, net working capital items and the goodwill and intangible assets acquired through business combinations.

For the purposes of impairment testing, the goodwill obtained through business combinations, trademarks and the rights to exploit trade premises with indefinite useful lives were allocated to the following groups of cash-generating units:

	Groups of cash-generating units							
	Éxito	Carulla	Surtimax	Súper Ínter	Surtimayorista	Uruguay	Argentina	Total
Goodwill (Note 17)	90,674	856,495	37,402	464,332	4,174	1,690,339	340,887	3,484,303
Trademarks with indefinite useful life (Note 14)	-	-	17,427	63,704	-	128,103	90,454	299,688
Rights with indefinite useful life (Note 14)	17,720	2,771	-	-	-	-	4,212	24,703

Even if trade establishments allocated to Surtimayorista cash-generating unit do not have goodwill acquired through business combinations, this value allocated for the purpose of impairment testing results from the change of stores in the Surtimax format to this new format; goodwill allocated to trade establishments of the Surtimax cash-generating unit comes from the business combination in 2007 under the merger with Carulla Vivero S.A. as disclosed in Note 14.

The method used for testing the impairment of cash generating units was the value in use given the difficulty of finding an active market that enables establishing the fair value of such intangible assets.

The recoverable amount of the cash generating units in Colombia and Uruguay was determined as their value in use.

The value in use was estimated based on the expected cash flows as forecasted by Company management over a five-year period, on the grounds of the price growth rate in Colombia and Uruguay (Consumer Price Index - CPI), trend analyses based on past results, expansion plans, strategic projects to increase sales, and optimization plans.

Cash flows beyond the five-year period were determined using a real growth rate of 0%. For the Éxito Group, this is a conservative approach that reflects the ordinary growth expected for the industry in absence of unexpected factors that might have an effect on growth.

The tax rate included in the forecast of cash flows is the rate at which Almacenes Éxito S.A. expects to pay its taxes during the next years. The tax rate used in the projection of cash flows of the Éxito, Carulla, Surtimax, Súper Inter and Surtimayorista cash-generating units was 35% for 2023 onwards, which is the enacted rate in Colombia as at December 31, 2022.

For goodwill allocated to the Uruguayan cash-generating unit, the tax rate used was 25%.

Expected cash flows were discounted at the weighted average cost of capital (WACC) using a market indebtedness structure for the type of industry where Éxito Group operates, which was 7.40% for 2023 onwards.

The WACC used to discount the cash flows of the Uruguayan cash-generating unit was 8.55% for 2023 onwards.

The variables that have the greater impact on the determination of the value in use of the cash-generating units are the discount rate and the perpetual growth rate. These variables are defined as follows:

- (a) Growth rate in perpetuity: Nominal growth rates in perpetuity are the long-term inflation expectations for the relevant country, i.e. a real growth rate of zero. A decrease in real growth rates to below zero is not considered reasonably possible given cash flows are expected to increase at least in line with inflation, and up to 4% above inflation.
- (b) Discount rate: The estimation of the discount rate is based on an analysis of the market indebtedness for Almacenes Éxito S.A.; a change is deemed reasonable if the discount rate would increase by 1%, in which event no impairment in the value of the groups of cash-generating units would arise.

The impairment loss of property, plant and equipment is the book value that exceeds the recoverable value; in turn, the recoverable value is the higher of the value in use and the fair value less costs to sell. Assets are grouped into stores, which generate independent cash flows. The method used to calculate the recoverable value was the income approach (value in use) given its adequate approximation to the recoverable value of these assets.

As a result of the observation of signs of impairment loss and the application of the test, impairment was identified in part of Viva Calle 80 in the amount of \$241 and at subsidiary Grupo Disco del Uruguay S.A. of \$1,403 and recovery of impairment loss of Mercados Devoto S.A. in the amount of \$2,786 and Carulla Palmas of \$17. The impairment loss was recognized in profit or loss.

The method used to test the impairment loss of investment properties owned by Éxito and its subsidiaries was the revenue approach given its proximity to the fair value of such real-estate property.

As result of the testing, there was impairment loss of local premises of Centro Comercial Viva Suba of \$530 and recovery of impairment loss of Viva Sincelejo in the amount of \$1,546 and Viva Palmas in the amount of \$860. The impairment loss was recognized in profit or loss.

The recoverable amount of the Argentina group of cash generating units was determined as the fair value less costs of disposal of its retail estate portfolio. This was estimated based on the appraisals performed by an independent appraiser on all the properties owned by the subsidiary in Argentina, minus the total liabilities, plus cash of Libertad S.A. as of December 31, 2022 excluding non-monetary and intercompany items. The cost of disposal is an estimated brokerage commission on the sale of real estate equivalent to 3% of the total amount of the property values. The main variables used in the appraisals are the real estate index in Argentina and the exposure to foreign exchange (USD more specifically). A decrease of 2% in the fair value less costs to sell would trigger an impairment charge.

Assets are grouped into stores, which generate independent cash flows.

The recoverable amount of investment properties owned by the Éxito Group was determined as their value in use.

Except for the above, no impairment in the carrying amounts of cash-generating units was identified.

December 31, 2021

The carrying amount of the groups of cash-generating units is made of property, plant and equipment, investment properties, other intangible assets other than goodwill, net working capital items and the goodwill and intangible assets acquired through business combinations.

For the purposes of impairment testing, the goodwill obtained through business combinations, trademarks and the rights to exploit trade premises with indefinite useful lives were allocated to the following groups of cash-generating units:

	Groups of cash-generating units							Total
	Éxito	Carulla	Surtimax	Súper Inter	Surtimayorista	Uruguay	Argentina	
Goodwill (Note 17)	90,674	856,495	37,402	464,332	4,174	1,320,465	251,441	3,024,983
Trademarks with indefinite useful life (Note 14)	-	-	17,427	63,704	-	94,319	66,720	242,170
Rights with indefinite useful life (Note 14)	17,720	2,771	-	-	-	-	2,047	22,538

The recoverable amount of the cash generating units in Colombia and Uruguay was determined as their value in use.

The value in use was estimated based on the expected cash flows as forecasted by Company management over a five-year period, on the grounds of the price growth rate in Colombia and Uruguay (Consumer Price Index - CPI), trend analyses based on past results, expansion plans, strategic projects to increase sales, and optimization plans.

Cash flows beyond the five-year period were determined using a real growth rate of 0%. For the Éxito Group, this is a conservative approach that reflects the ordinary growth expected for the industry in absence of unexpected factors that might have an effect on growth.

The tax rate included in the forecast of cash flows is the rate at which Éxito expects to pay its taxes during the next years. The tax rate used in the projection of cash flows of the Éxito, Carulla, Surtimax, Súper Inter and Surtimayorista cash-generating units was 35% for 2022 onwards, which is the enacted rate in Colombia as at December 31, 2021.

For goodwill allocated to the Uruguayan cash-generating unit, the tax rate used was 25%.

Expected cash flows were discounted at the weighted average cost of capital (WACC) using a market indebtedness structure for the type of industry where Éxito operates, which was 7.40% for 2022 onwards.

The WACC used to discount the cash flows of the Uruguayan cash-generating unit was 8.55% for 2022 onwards.

The variables that have the greater impact on the determination of the value in use of the cash-generating units are the discount rate and the perpetual growth rate. These variables are defined as follows:

- (a) Growth rate in perpetuity: Nominal growth rates in perpetuity are the long-term inflation expectations for the relevant country, i.e. a real growth rate of zero. A decrease in real growth rates to below zero is not considered reasonably possible given cash flows are expected to increase at least in line with inflation, and up to 4% above inflation.
- (b) Discount rate: The estimation of the discount rate is based on an analysis of the market indebtedness for Éxito; a change is deemed reasonable if the discount rate would increase by 1%, in which event no impairment in the value of the groups of cash-generating units would arise.

The recoverable amount of the Argentina group of cash generating units was determined as the fair value less costs of disposal of its retail estate portfolio. This was estimated based on the appraisals performed by an independent appraiser on all the properties owned by the subsidiary in Argentina, minus the total liabilities, plus cash of Libertad S.A. as of December 31, 2021 excluding non-monetary and intercompany items. The cost of disposal is an estimated brokerage commission on the sale of real estate equivalent to 3% of the total amount of the property values. The main variables used in the appraisals are the real estate index in Argentina and the exposure to foreign exchange (USD more specifically). A decrease of 2% in the fair value less costs to sell would trigger an impairment charge.

Assets are grouped into stores, which generate independent cash flows. The recoverable amount was the value in use of the stores.

The recoverable amount of investment properties owned by the Éxito Group was determined as their value in use.

Note 35. Fair value measurement

Below is a comparison, by class, of the carrying amounts and fair values of investment property, property, plant and equipment and financial instruments, other than those with carrying amounts that are a reasonable approximation of fair values.

	Year ended December 31,			
	2022		2021	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial assets				
Investments in private equity funds	426	426	1,476	1,476
Forward contracts measured at fair value through income (Note 12)	27,300	27,300	11,057	11,057
Derivative swap contracts denominated as hedge instruments (Note 12)	14,480	14,480	6,023	6,023
Investment in bonds (Note 12)	6,939	6,939	6,896	6,828
Investment in bonds through other comprehensive income	18,367	18,367	18,716	18,716
Equity investments	10,676	10,676	10,676	10,676
Non-financial assets				
Investment property (Note 15)	1,841,228	3,968,389	1,656,245	2,797,335
Property, plant and equipment, and investment property held for sale (Note 41)	21,800	29,261	24,601	29,981
Financial liabilities				
Loans and borrowings (Note 20)	803,685	793,624	907,141	895,472
Put option (Note 20)	651,899	651,899	509,870	509,870
Swap contracts denominated as hedge instruments (Note 25)	-	-	242	242
Forward contracts measured at fair value through income (Note 25)	5,404	5,404	592	592
Non-financial liabilities				
Customer loyalty liability (Note 26)	56,165	56,165	37,015	37,015

The following methods and assumptions were used to estimate the fair values:

	Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
Assets				
Loans at amortized cost	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for loans under similar conditions on the date of measurement in accordance with maturity days.	Commercial rate of banking institutions for consumption receivables without credit card for similar term horizons. Commercial rate for housing loans for similar term horizons.
Investments in private equity funds	Level 2	Unit value	The value of the fund unit is given by the preclosing value for the day, divided by the total number of fund units at the closing of operations for the day. The fund administrator appraises the assets daily.	N/A
Forward contracts measured at fair value through income	Level 2	Colombian Peso-US Dollar forward	The difference is measured between the forward agreed-upon rate and the forward rate on the date of valuation relevant to the remaining term of the derivative financial instrument and discounted at present value using a zero-coupon interest rate. The forward rate is based on the average price quoted for the two-way closing price ("bid" and "ask").	Peso/US Dollar exchange rate set out in the forward contract. Market representative exchange rate on the date of valuation. Forward points of the Peso-US Dollar forward market on the date of valuation. Number of days between valuation date and maturity date. Zero-coupon interest rate.
Swap contracts measured at fair value through income	Level 2	Operating cash flows forecast model	The method uses swap cash flows, forecasted using treasury security curves of the State that issues the currency in which each flow has been expressed, for further discount at present value, using swap market rates disclosed by the relevant authorities of each country. The difference between cash inflows and cash outflows represents the swap net value at the closing under analysis.	Reference Banking Index Curve (RBI) 3 months. Zero-coupon curve. Swap LIBOR curve. Treasury Bond curve. 12-month CPI
Derivative swap contracts denominated as hedge instruments	Level 2	Operating cash flows forecast model	The method uses swap cash flows, forecasted using treasury security curves of the State that issues the currency in which each flow has been expressed, for further discount at present value, using swap market rates disclosed by the relevant authorities of each country. The difference between cash inflows and cash outflows represents the swap net value at the closing under analysis.	Reference Banking Index Curve (RBI) 3 months. Zero-coupon curve. Swap LIBOR curve. Treasury Bond curve. 12-month CPI
Investment in bonds	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for investments under similar conditions on the date of measurement in accordance with maturity days.	CPI 12 months + Basis points negotiated
Investment property	Level 2	Comparison or market method	This technique involves establishing the fair value of goods from a survey of recent offers or transactions for goods that are similar and comparable to those being appraised.	N/A
Investment property	Level 3	Discounted cash flows method	This technique provides the opportunity to identify the increase in revenue over a previously defined period of the investment. Property value is equivalent to the discounted value of future benefits. Such benefits represent annual cash flows (both, positive and negative) over a	Discount rate (10% - 14%) Vacancy rate (0% - 54.45%) Terminal capitalization rate (7.5% - 8.5%)

	Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
Assets				
Investment property	Level 3	Realizable-value method	period, plus the net gain arising from the hypothetical sale of the property at the end of the investment period. This technique is used whenever the property is suitable for urban movement, applied from an estimation of total sales of a project under construction, pursuant to urban legal regulations in force and in accordance with the final saleable asset market.	Realizable value
Investment property	Level 3	Replacement cost method	The valuation method consists in calculating the value of a brand-new property, built at the date of the report, having the same quality and comforts as that under evaluation. Such value is called replacement value; then an analysis is made of property impairment arising from the passing of time and the careful or careless maintenance the property has received, which is called depreciation.	Physical value of building and land.
Non-current assets classified as held for trading	Level 2	Realizable-value method	This technique is used whenever the property is suitable for urban development, applied from an estimation of total sales of a project under construction, pursuant to urban legal regulations in force and in accordance with the final saleable asset market.	Realizable Value

	Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
Liabilities				
Financial liabilities measured at amortized cost	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for loans under similar conditions on the date of measurement in accordance with maturity days.	Reference Banking Index (RBI) + Negotiated basis points. LIBOR rate + Negotiated basis points.
Swap contracts measured at fair value through income	Level 2	Operating cash flows forecast model	The method uses swap cash flows, forecasted using treasury security curves of the State that issues the currency in which each flow has been expressed, for further discount at present value, using swap market rates disclosed by the relevant authorities of each country. The difference between cash inflows and cash outflows represents the swap net value at the closing under analysis.	Reference Banking Index Curve (RBI) 3 months. Zero-coupon curve. Swap LIBOR curve. Treasury Bond curve. 12-month CPI
Derivative instruments measured at fair value through income	Level 2	Colombian Peso-US Dollar forward	The difference is measured between the forward agreed upon rate and the forward rate on the date of valuation relevant to the remaining term of the derivative financial instrument and discounted at present value using a zero-coupon interest rate. The forward rate is based on the average price quoted for the two-way closing price ("bid" and "ask").	Peso/US Dollar exchange rate set out in the forward contract. Market representative exchange rate on the date of valuation. Forward points of the Peso-US Dollar forward market on the date of valuation. Number of days between valuation date and maturity date. Zero-coupon interest rate.
Derivative swap contracts denominated as hedge instruments	Level 2	Discounted cash flows method	The fair value is calculated based on forecasted future cash flows provided by the operation upon market curves and discounting them at present value, using swap market rates.	Swap curves calculated by Forex Finance Market Representative Exchange Rate (TRM)
Customer loyalty liability	Level 3	Market value	The customer loyalty liability is updated in accordance with the point average market value for the last 12 months and the effect of the expected redemption rate, determined on each customer transaction.	Number of points redeemed, expired and issued. Point value. Expected redemption rate.
Bonds issued	Level 2	Discounted cash flows method	Future cash flows are discounted at present value using the market rate for bonds in similar conditions on the date of measurement in accordance with maturity days.	12-month CPI
Lease liabilities	Level 2	Discounted cash flows method	Future cash flows of lease contracts are discounted using the market rate for loans in similar conditions on contract start date in accordance with the non-cancellable minimum term.	Reference Banking Index (RBI) + basis points in accordance with risk profile.
Put option	Level 3	Given formula	Measured at fair value using a given formula under an agreement executed with non-controlling interests of Grupo Disco, using level 3 input data.	Net income of Supermercados Disco del Uruguay S.A. at December 31, 2022 and 2021. US Dollar-Uruguayan peso exchange rate on the date of valuation US Dollar-Colombian peso exchange rate on the date of valuation Total shares Supermercados Disco del Uruguay S.A.

Hierarchy level	Valuation technique	Description of the valuation technique	Significant input data
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Material non-observable input data and a valuation sensitivity analysis on the valuation of the "put option contract" refer to:

	Material non-observable input data	Range (weighted average)	Sensitivity of the input data on the estimation of the fair value
Put option	Net income of Supermercados Disco del Uruguay S.A. at December 31, 2022	\$168,684	The Put option value is defined as the greater of (i) the fixed price of the contract in US dollars updated at 5% per year, (ii) a multiple of EBITDA minus the net debt of the Disco Group, or (iii) a multiple of the net income of the Disco Group. On December 31, 2022, the value of the put option is recognized based on the fixed contract price. Grupo Disco's EBITDA should increase by approx. 27% to arrive at a value greater than the recognized value.
	Ebitda of Supermercados Disco del Uruguay S.A., consolidated over 12 months	\$265,114	
	Net financial debt of Supermercados Disco del Uruguay S.A., consolidated over 6 months	(\$196,684)	
	Fixed contract price	\$672,638	
	US Dollar-Uruguayan peso exchange rate on the date of valuation	\$40.07	
	US Dollar-Colombian peso exchange rate on the date of valuation	\$4,810.20	
	Total shares Supermercados Disco del Uruguay S.A.	443,071,575	

Changes in hierarchies may occur if new information is available, certain information used for valuation is no longer available, there are changes resulting in the improvement of valuation techniques or changes in market conditions.

There were no transfers between level 1 and level 2 hierarchies during the year ended December 31, 2022.

Note 36. Contingent liabilities

Contingent liabilities at December 31, 2022 and 2021 are:

- (a) The following proceedings are underway, seeking that the Éxito Group be exempted from paying the amounts claimed by the complainant entity:
- Administrative discussion with DIAN (Colombia national directorate of customs) amounting \$35,705 (December 31, 2021 - \$32,225) relating to Almacenes Éxito S.A. 2015 income tax return.
 - Resolutions issued by the District Tax Direction of Bogotá, relating to alleged inaccuracy in payments made in 2011, in the amount of \$11,830 (December 31, 2021 - \$11,830).
 - Nullity of resolution-fine dated September 2020 ordering reimbursement of the balance receivable assessed in the income tax for taxable 2015 in amount of \$2,211 (December 31, 2021 - \$-).
 - Claim on the grounds of failure to comply with contract conditions, asking for damages arising from the purchase-sale of a property in the amount of \$2,600 (December 31, 2021 - \$2,600).
 - Administrative discussion with the Cali Municipality regarding the notice of special requirement 4275 of April 8, 2021 whereby the Almacenes Éxito S.A. is invited to correct the codes and rates reported in the Industry and Trade Tax for 2018 in amount of \$2,535 (December 31, 2021 - \$-).
- (b) Guarantees:
- Since June 1, 2017, Almacenes Éxito S.A. granted a collateral on behalf its subsidiary Almacenes Éxito Inversiones S.A.S. to cover a potential default of its obligations. On August 11, 2021 the amount was updated to \$2,935.
 - Almacenes Éxito S.A. acts as the principal of a bank guarantee in the amount of \$- (December 31, 2021 - \$95).
 - Subsidiary Éxito Viajes y Turismo S.A.S. granted a collateral in favor of Aerovías del Continente Americano S.A. in the amount of \$264 (December 31, 2021 - \$325) para garantizar el cumplimiento de los pagos asociados al contrato de venta de tiquetes aéreos.

Dividends declared and paid to the owners of non-controlling interests in subsidiaries during the year ended December 31, 2022 are as follows:

	Dividends declared	Dividends paid
Grupo Disco del Uruguay S.A.	98,278	87,528
Patrimonio Autónomo Viva Malls	34,988	48,799
Patrimonio Autónomo Viva Villavicencio	8,706	8,491
Patrimonio Autónomo Centro Comercial	4,506	4,371
Éxito Viajes y Turismo S.A.S.	3,565	3,565
Patrimonio Autónomo Viva Laureles	2,138	2,102
Patrimonio Autónomo Centro Comercial Viva Barranquilla	1,860	1,772
Patrimonio Autónomo San Pedro Etapa I	1,403	1,329
Patrimonio Autónomo Viva Sincelejo	1,364	1,485
Total	156,808	159,442

At December 31, 2021

Almacenes Éxito S.A. General Meeting of Shareholders held on March 25, 2021, declared a dividend of \$173,223, equivalent to an annual dividend of \$387 Colombian pesos per share, payable as follows:

- a. Non-controlling interests in one single payment on April 5, 2021, and
- b. Owner of Éxito in two instalments: 33% payable on April 5, 2021 and 67% payable on September 1, 2021.

Dividends paid during the year ended December 31, 2021 amounted to \$173,174.

Dividends declared and paid to the owners of non-controlling interests in subsidiaries during the year ended December 31, 2021 are as follows:

	Dividends declared	Dividends paid
Patrimonio Autónomo Viva Malls	63,487	69,550
Grupo Disco del Uruguay S.A.	44,205	42,758
Patrimonio Autónomo Viva Villavicencio	6,414	5,639
Patrimonio Autónomo Centro Comercial	3,825	3,193
Éxito Viajes y Turismo S.A.S.	3,463	3,463
Patrimonio Autónomo Viva Laureles	1,869	1,829
Patrimonio Autónomo Centro Comercial Viva Barranquilla	1,279	1,251
Patrimonio Autónomo San Pedro Etapa I	1,247	1,058
Patrimonio Autónomo Viva Sincelejo	1,075	1,500

Note 39. Financial risk management policy

At December 31, 2022 and 2021 Éxito Group's financial instruments were comprised of:

	Year ended December 31,	
	2022	2021
Financial assets		
Cash and cash equivalents (Note 7)	1,733,673	2,541,579
Trade receivables and other accounts receivable (Note 8)	829,876	684,051
Accounts receivable from related parties (Note 10) (1)	47,122	56,475
Financial assets (Note 12)	78,384	54,961
Total financial assets	2,689,055	3,337,066
Financial liabilities		
Accounts payable to related parties (Note 10) (1)	79,189	65,646
Trade payables and other accounts payable (Note 23)	5,721,775	5,186,555
Loans and borrowings (Note 20)	1,455,584	1,417,011
Lease liabilities (Note 13)	1,655,955	1,594,643
Derivative instruments and collections on behalf of third parties (Note 25)	136,223	81,544
Total financial liabilities	9,048,726	8,345,399
Net (liability) exposure	(6,359,671)	(5,008,333)

(1) Transactions with related parties refer to transactions between Éxito and its associates, joint ventures and other related parties, and are carried in accordance with market general prices, terms and conditions.

Capital risk management

Éxito Group manages its equity structure and makes the required adjustments as a function of changes in economic conditions and requirements under financial clauses. To maintain and adjust its capital structure, Éxito may also modify the payment of dividends to shareholders, reimburse capital contributions or issue new shares.

Financial risk management

Besides derivative instruments, the most significant of Éxito Group's financial liabilities include debt, lease liabilities and interest-bearing loans, trade accounts payable and other accounts payable. The main purpose of such liabilities is financing Éxito Group's operations and maintaining proper levels of working capital and net financial debt.

The most significant of Éxito Group's financial assets include loans, trade debtors and other accounts receivable, cash and short-term placements directly resulting from day-to-day transactions. The Éxito Group also has other investments classified as financial assets measured at fair value, which, according to the business model, have effects in income for the period or in other comprehensive income. Further, other rights may arise from transactions with derivative instruments and will be carried as financial assets.

The Éxito Group is exposed to market, credit and liquidity risks. Éxito Group management monitor the manner in which such risks are managed, through the relevant bodies of the organization designed for such purpose. The scope of the Board of Directors' activities includes a financial committee that oversees such financial risks and the financial risk management corporate framework that is most appropriate. The financial committee supports Éxito Group management in that financial risk assumption activities fall within the approved corporate policies and procedures framework, and that such financial risks are identified, measured and managed pursuant to such corporate policies.

Financial risk management activities related to all transactions with derivative instruments are carried out by teams of specialists with the required skills and experience, who are supervised by the organizational structure. Pursuant to Éxito Group's corporate policies, no transactions with derivative instruments may be carried out solely for speculation. Even if hedge accounting models not always are applied, derivatives are negotiated based on an underlying element that in fact requires such hedging in accordance with internal analyses.

The Board of Directors reviews and agrees on the policies applicable to manage each of these risks, which are summarized below:

a. Credit risk

A credit risk is the risk that a counterparty fails to comply with their obligations on a financial instrument or trade agreement, resulting in a financial loss. The Éxito Group is exposed to credit risk arising from their operating activities (particularly from trade debtors) and from their financial activities, including deposits in banks and financial institutions and other financial instruments. The carrying amount of financial assets represents the maximum exposure to credit risks.

Cash and cash equivalents

The credit risk arising from balances with banks and financial entities is managed pursuant to corporate policies defined for such purpose. Surplus funds are only invested with counterparties approved by the Board of Directors and within previously established jurisdictions. On an ongoing basis, management reviews the general financial conditions of counterparties, assessing the most significant financial ratios and market ratings.

Trade receivables and other accounts receivable

The credit risk associated with trade receivables is low given that most of the Éxito Group's sales are cash sales (cash and credit cards) and financing activities are conducted under trade agreements that reduce Éxito Group's exposure to risk. In addition, there are administrative collections departments that permanently monitor ratios, figures, payment behaviors and risk models by each third party. There are no trade receivables that individually are equivalent to or exceed 5% of accounts receivable or sales, respectively.

Collaterals

The Éxito Group does not grant guarantees, collaterals or letters of credit, or issues filled-in or blank securities, or other liens or contingent rights in favor of third parties. Exceptionally, the Éxito Group may impose liens, depending on the relevancy of the business, the amount of the contingent liability and the benefit. In addition, there are certain promissory notes used in the regular course of the operation with banks and treasury. As of December 31, 2022, Almacenes Éxito S.A. was a guarantor in favor of its subsidiary Almacenes Éxito Inversiones S.A.S. in the amount of \$2,935 to cover potential default of its obligations, acts as joint and several debtor of subsidiary Patrimonio Autónomo Centro Comercial Viva Barranquilla at the request of some insurance companies and as a requirement for the issuance of compliance bonds. Éxito Viajes y Turismo S.A.S. granted a collateral in favor of Aerovías del Continente Americano S.A. in the amount of \$264. Subsidiaries Exito Industrias S.A.S. and Éxito Viajes y Turismo S.A.S. granted some guarantees to insurance companies and as a requirement for the issuance of compliance bonds. La subsidiaria Transacciones Energéticas S.A.S. E.S.P. otorgó garantías a favor de terceros por \$3,248 para amparar el pago de los cargos por uso del sistema de transmisión de energía.

b. Market risk

Market risk is the risk that changes in market prices, namely changes in exchange rates, interest rates or stock prices, have a negative effect on Éxito Group's revenue or on the value of the financial instruments it holds. The purpose of market risk management is to manage and control exposure to this risk within reasonable parameters while optimizing profitability.

Interest rate risk

Interest rate risk is the risk that the fair value of financial assets and liabilities, or the future cash flows of financial instruments, fluctuate due to changes in market interest rates. Éxito Group's exposure to interest rate risk is mainly related to debt obligations incurred at variable interest rates or indexed to an index beyond the control of the Éxito Group.

Most of Éxito Group's financial liabilities are indexed to market variable rates. To manage the risk, the Éxito Group performs financial exchange transactions via derivative financial instruments (interest rate swaps) with previously approved financial institutions, under which they agree on exchanging, at specific intervals, the difference between the amounts of fixed interest rates and variable interest rates estimated over an agreed upon nominal principal amount, which turns variable rates into fixed rates and cash flows may then be determined.

Currency risk

Currency risk is the risk that the fair value or future cash flows of financial instruments fluctuate due to changes in exchange rates. Éxito Group's exposure to exchange rate risk is attached to passive transactions in foreign currency associated with long-term debt liabilities and with Éxito Group's operating activities (whenever revenue and expenses are denominated in a currency other than the functional currency), as well as with Éxito Group's net investments abroad.

The Éxito Group manages its exchange rate risk via derivative financial instruments (namely forwards and swaps) whenever such instruments are efficient to mitigate volatility.

When exposed to unprotected currency risk, Éxito Group's policy is to contract derivative instruments that correlate with the terms of the underlying elements that are unprotected. Not all financial derivatives are classified as hedging transactions; however, Éxito Group's policy is not to carry out transactions for speculation.

At December 31, 2022 and 2021, Éxito Group had hedged almost 100% of their purchases and liabilities in foreign currency.

c. Liquidity risk

Liquidity risk is the risk that the Éxito Group faces difficulties to fulfil its obligations associated with financial liabilities, which are settled by delivery of cash or other financial assets. Éxito Group's approach to manage liquidity is to ensure, in as much as possible, that it will always have the necessary liquidity to meet its obligations without incurring unacceptable losses or reputational risk.

The Éxito Group manages liquidity risks by daily monitoring its cash flows and maturities of financial assets and liabilities, and by maintaining proper relations with the relevant financial institutions.

The Éxito Group maintains a balance between business continuity and the use of financing sources through short-term and long-term bank loans according to requirements, unused credit lines available from financial institutions, among other mechanisms. At December 31, 2022 approximately 33% of Éxito Group's debt will mature in less than one year (December 31, 2021 - 18%) considering the carrying amount of borrowings included in the accompanying financial statements.

The Éxito Group's liquidity risk is considered to be low as there is no significant restriction for the payment of financial liabilities settling within twelve months from the reporting date. The Éxito Group has access to unused lines of credit.

The following table shows a profile of maturities of Éxito Group's financial liabilities based on non-discounted contractual payments arising from the relevant agreements.

At December 31, 2022	Less than 1 year	From 1 to 5 years	More than 5 years	Total
Lease liabilities	337,809	991,809	782,572	2,112,190
Other relevant contractual liabilities	278,196	666,882	50,960	996,038
Total	616,005	1,658,691	833,532	3,108,228

At December 31, 2021	Less than 1 year	From 1 to 5 years	More than 5 years	Total
Lease liabilities	284,621	906,480	681,837	1,872,938
Other relevant contractual liabilities	160,436	772,052	83,445	1,015,933
Total	445,057	1,678,532	765,282	2,888,871

Sensitivity analysis for 2022 balances

The Éxito Group assessed the potential changes in interest rates of financial liabilities and other significant contract liabilities.

Assuming complete normality and considering 10% variation in interest rates, three scenarios have been assessed:

- Scenario I: Latest interest rates known at the end of 2022.
- Scenario II: An increase of 1.1660% was assumed for the Banking Reference Rate. This increase was on the latest published interest rate.
- Scenario III: A decrease of 1.1660% was assumed for the Banking Reference Rate. This reduction was on the latest published interest rate.

The sensitivity analysis did not result in significant variance among the three scenarios. Potential changes are as follows:

Operations	Risk	Balance at December 31, 2022	Market forecast		
			Scenario I	Scenario II	Scenario III
Borrowings	Changes in interest rates	803,685	807,799	820,573	795,026

d. Derivative financial instruments

The Éxito Group uses derivative financial instruments to hedge risk exposure, with the main purpose of hedging exposure to interest rate risk and exchange rate risk, fixing the interest and exchange rates of the financial debt.

At December 31, 2022, the reference value of these contracts amounted to COP \$355.458 million (interest rate swaps), USD 125.5 million y EUR 14.11 million (December 31, 2021 – COP \$302.710 million, USD 104.5 million and EUR 6.83 million). Such transactions are generally contracted under identical conditions regarding amounts, terms and transaction costs and, preferably, with the same financial institutions, always in compliance with Éxito Group's limits and policies.

The Éxito Group has designed and implemented internal controls to ensure that these transactions are carried out in compliance with its policies.

e. Fair value of derivative financial instruments

The fair value of derivative financial instruments is estimated under the operating cash flow forecast model, using government treasury security curves in each country and discounting them at present value, using market rates for swaps as disclosed by the relevant authorities in such countries.

Swap market values were obtained by applying market exchange rates valid on the date of the financial information available, and the rates are forecasted by the market based on currency discount curves. A convention of 365 consecutive days was used to calculate the coupon of foreign currency indexed positions.

f. Insurance policies

At December 31, 2021, Éxito and its subsidiaries have acquired the following insurance policies to mitigate the risks associated with the entire operation:

Insurance lines of coverage	Coverage limits	Coverage
All risk, damages and loss of profits	In accordance with replacement and reconstruction amounts, with a maximum limit of liability for each policy.	Losses or sudden and unforeseen damage and incidental damage sustained by covered property, directly arising from any event not expressly excluded. Covers buildings, furniture and fixtures, machinery and equipment, goods, electronic equipment, facility improvements, loss of profits and other property of the insured party.
Transport of goods and money	In accordance with the statement of transported values and a maximum limit per dispatch. Differential limits and sub-limits apply by coverage.	Property and goods owned by the insured that are in transit, including those on which it has an insurable interest.
Third party liability	Differential limits and sub-limits apply by coverage.	Covers damages to third parties in development of the operation.
Director's and officers' third party liability insurance	Differential limits and sub-limits apply by coverage.	Covers claims against directors and officers arising from error or omission while in office.
Deception and financial risks	Differential limits and sub-limits apply by coverage.	Loss of money or securities in premises or in transit. Willful misconduct of employees that result in financial loss.
Group life insurance and personal accident insurance	The insured amount relates to the number of wages defined by the Company.	Death and total and permanent disability arising from natural or accidental events.
Vehicles	There is a defined ceiling per each coverage	Third party liability. Total and partial loss - Damages. Total and partial loss - Theft. Earthquake. Other coverages as described in the policy.
Cyber risk	Differential limits and sub-limits apply by coverage.	Direct losses arising from malicious access to the network and indirect losses from third party liability whose personal data have been affected by an event covered by the policy.

Note 40. Operating segments

The Éxito Group's three reportable segments all meet the definition of operating segments, are as follows:

Colombia:

- Éxito: Revenues from retailing activities, with stores under the banner Éxito.
- Carulla: Revenues from retailing activities, with stores under the banner Carulla.
- Low cost and other: Revenues from retailing and other activities, with stores under the banners Surtimax, Súper Inter, Surti Mayorista and B2B format.

Argentina:

- Revenues and services from retailing activities in Argentina, with stores under the banners Libertad and Mini Libertad.

Uruguay:

- Revenues and services from retailing activities in Uruguay, with stores under the banners Disco, Devoto and Géant.

Éxito discloses information by segment pursuant to IFRS 8 - Operating segments, which are defined as a component of an entity whose operating results are regularly reviewed by the chief operating decision maker (Board of Directors) for decision making purposes about resources to be allocated.

Retail sales by each of the segments are as follows:

Operating segment	Banner	Year ended December 31,	
		2022	2021
Colombia	Éxito	10,120,848	8,581,274
	Carulla	2,133,700	1,782,355
	Low cost and other	2,262,847	1,920,768
Argentina		1,683,717	1,178,166
Uruguay		3,553,925	2,643,858
Total sales		19,755,037	16,106,421
Eliminations		(961)	(665)
Total consolidated		19,754,076	16,105,756

Below is additional information by operating segment:

	For the year ended December 31, 2022					
	Colombia	Argentina (1)	Uruguay (1)	Total	Eliminations (2)	Total
Retail sales	14,517,395	1,683,717	3,553,925	19,755,037	(961)	19,754,076
Service revenue	648,806	66,658	25,782	741,246	-	741,246
Other revenue	113,466	341	10,816	124,623	(272)	124,351
Gross profit	3,385,817	604,403	1,249,056	5,239,276	307	5,239,583
Operating profit	663,984	68,703	257,140	989,827	307	990,134
Depreciation and amortization	(506,716)	(24,426)	(72,185)	(603,327)	-	(603,327)
Net finance expenses	(263,785)	(97,014)	(19,368)	(380,167)	(307)	(380,474)
Income tax	(218,901)	(65,262)	(41,539)	(325,702)	-	(325,702)
Non-current assets other than financial instruments and deferred tax assets	7,793,835	1,342,002	2,832,144	11,967,981	-	11,967,981

	For the year ended December 31, 2021					
	Colombia	Argentina (1)	Uruguay (1)	Total	Eliminations (2)	Total
Retail sales	12,284,397	1,178,166	2,643,858	16,106,421	(665)	16,105,756
Service revenue	550,284	39,477	19,542	609,303	-	609,303
Other revenue	198,142	826	8,993	207,961	(635)	207,326
Gross profit	3,099,453	412,465	921,140	4,433,058	471	4,433,529
Operating profit	701,974	16,152	200,809	918,935	473	919,408
Depreciation and amortization	(466,959)	(24,873)	(55,552)	(547,384)	-	(547,384)
Net finance expenses	(161,533)	(20,079)	(13,670)	(195,282)	(473)	(195,755)
Income tax	(120,671)	12,769	(29,768)	(137,670)	-	(137,670)
Non-current assets other than financial instruments and deferred tax assets	7,729,171	1,008,084	2,052,676	10,789,931	(59,718)	10,730,213

(1) For information reporting purposes, non-operating companies (holding companies that hold interests in the operating companies) are allocated by segments to the geographic area to which the operating companies belong. Should the holding company hold interests in various operating companies, it is allocated to the most significant operating company.

(2) Relates to the balances of transactions carried out between segments, which are eliminated in the process of consolidation of financial statements.

Total assets and liabilities by segment are not reported internally for management purposes and consequently they are not disclosed.

Note 41. Assets held for sale and discontinued operations

Assets held for sale

Éxito Group management started a plan to sell certain property seeking to structure projects that allow using such real estate property, increase the potential future selling price and generate resources to Éxito Group. Consequently, certain property, plant and equipment and certain investment property were classified as assets held for sale.

The balance of assets held for sale, included in the statement of financial position, is shown below:

	Year ended December 31,	
	2022	2021
Property, plant and equipment	17,875	16,340
Investment property	3,925	8,261
Total	21,800	24,601

Note 42. Subsequent events

No events have occurred subsequent to the date of the reporting period that entail significant changes in the financial position and the operations of Éxito Group due to their relevance, are required to be disclosed in the financial statements:

Index GRI



Almacenes Éxito S.A has reported the information cited in this GRI content index for the period January 1, 2022, and December 31, 2022, with reference to the GRI Standards.

GRI	Indicator	Content	Page	SASB	SDG	Coment/ Link
2	1	Organizational details	6,8	FB-FR-000.B		
2	2	Entities included in the organization's sustainability reporting	6			
2	3	Periodo objeto del informe, frecuencia y punto de contacto	7			
2	4	Restatements of information	34			https://www.grupoexito.com.co/es/exito-ADR-BDR-listing-march-2023.pdf
2	5	External assurance	245			
2	6	Activities, value chain, and other business relationships	9, 10, 127	FB-FR-000.A		
2	7	Employees	127		8.5, 10.3	
2	8	Workers who are not employees	127		8.5	
2	9	Governance structure and composition	35, 36, 37, 46		5.5, 16.7	
2	10	Nomination and selection of the highest governance body	42		5.5, 16.7	
2	11	Chair of the highest governance body	45		16.6	
2	12	Role of the highest governance body in overseeing the management of impacts	12, 40, 69, 85		16.7	
2	13	Delegation of responsibility for managing impacts	13			https://www.grupoexito.com.co/es/sustainability_policy_grupo_exito2020.pdf
2	14	Role of the highest governance body in sustainability reporting	13, 51			
2	15	Conflicts of interest	55, 67		16.6	
2	16	Communication of critical concerns	12, 13			
2	17	Collective knowledge of the highest governance body	60, 69			
2	18	Evaluation of the performance of the highest governance body	52			
2	19	Remuneration policies	42, 43			
2	20	Process to determine remuneration	42, 43		16.7	
2	21	Annual total compensation ratio	55			Is not public because internal desitions
2	22	Statement on sustainable development strategy	5, 86			
2	23	Policy commitments	140			
2	24	Embedding policy commitments	142			
2	25	Processes to remediate negative impacts	110, 142			
2	26	Mechanisms for seeking advice and raising concerns	61		16.3	

GRI	Indicator	Content	Page	SASB	SDG	Coment/ Link
2	27	Compliance with laws and regulations	64			
2	28	Membership associations	140	FB-FR-310a.2		
2	29	Approach to stakeholder engagement	13, 75	FB-FR-310a.2	8.8	
2	30	Collective bargaining agreements	136	FB-FR-310a.2	8.8	
3	1	Process to determine material topics	13, 92, 96			
3	2	List of material topics	13,14, 86			
3	3	Management of material topics	71, 95, 105, 107, 119, 125, 137, 140, 146			
201	1	Direct economic value generated and distributed	21		8.2, 9.1,	
201	2	Financial implications and other risks and opportunities due to climate change	110		13.1	
201	3	Defined benefit plan obligations and other retirement plans	130			
203	1	Infrastructure investments and services supported	145		8.2	
203	2	Significant indirect economic impacts	145		1.2, 1.4, 3.8, 8.3, 8.5	
204	1	Proportion of spending on local suppliers	99		8.3	
205	1	Operations assessed for risks related to corruption	59	FB-FR-230a.2	16.5	
205	2	Communication and training about anti-corruption policies and procedures	60, 67		16.5	
205	3	Confirmed incidents of corruption and actions taken	61, 62	FB-FR-230a.1	16.5	
301	1	Materials used by weight or volume	112		8.4, 12.2	
301	2	Recycled input materials used	113	FB-FR-430a.4	8.4, 12.2, 12.5	
302	1	Energy consumption within the organization	107	FB-FR-130a.1	7.2, 7.3, 8.4, 12.2, 13.1	
302	3	Energy intensity	107		7.3, 8.4, 12.2, 13.1	
302	4	Reduction of energy consumption	107		7.3, 8.4, 12.2, 13.1	
304	2	Significant impacts of activities, products and services on biodiversity	14		6.6, 14.2, 15.1, 15.5	

GRI	Indicator	Content	Page	SASB	SDG	Coment/ Link
304	3	Habitats protected or restored	116,117		6.6, 14.2, 15.1, 15.5	
305	1	Direct (Scope 1) GHG emissions	107	FB-FR-110b.1	3.9, 12.4, 13.1, 14.3, 15.2	
305	2	Energy indirect (Scope 2) GHG emissions	107		12.4, 13.1, 14.3, 15.2	
305	3	Other indirect (Scope 3) GHG emissions	107		12.2	
305	5	Reduction of GHG emissions	107		13.1	
306	1	Waste generation and significant waste-related impacts	115		3.9, 12.2, 12.5	
306	2	Management of significant wasterelated impacts	115		3.9, 8.4, 12.2, 12.5	
306	3	Waste generated generados	115		3.9, 12.2, 12.5	
306	4	Waste diverted from disposal	113, 115		3.9, 12.2, 12.5	
306	5	Waste directed to disposal	115	FB-FR-150a.1	3.9, 12.2, 12.5	
308	1	New suppliers that were screened using environmental criteria	143			
401	1	New employee hires and employee turnover	128		5.1, 8.5, 10.3	
401	3	Parental leave	131		3.2, 5.1, 8.5	
403	1	Occupational health and safety management system	137		8.8	https://www.grupoexito.com.co/es/OHS-Policy-2022-ENG.pdf
403	2	Hazard identification, risk assessment, and incident investigation	137		8.8	https://www.grupoexito.com.co/es/OHS-Policy-2022-ENG.pdf
403	3	Occupational health services	124		3.4, 8.8	
403	4	Worker participation, consultation, and communication on occupational health and safety	124		8.8, 16.7	
403	5	Worker training on occupational health and safety	135		8.8	https://www.grupoexito.com.co/es/OHS-Policy-2022-ENG.pdf
403	6	Promotion of worker health	124, 130			

GRI	Indicator	Content	Page	SASB	SDG	Coment/ Link
403	7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	125		8.8	
403	8	Workers covered by an occupational health and safety management system			8.8	https://www.grupoexitto.com.co/es/OHS-Policy-2022-ENG.pdf
403	9	Work-related injuries	137		8.8	
403	10	Work-related ill health	137	FB-FR-310a.3	5.1, 8.8	
404	1	Average hours of training per year per employee	132		4.3, 5.1, 8.5, 10.3	
404	2	Programs for upgrading employee skills and transition assistance programs	132		8.2, 8.5	
404	3	Percentage of employees receiving regular performance and career development reviews	132		5.1, 8.5, 10.3	
405	1	Diversity of governance bodies and employees	128		5.1, 5.5, 8.5	
405	2	Ratio of basic salary and remuneration of women to men	136	FB-FR-310a.1	5.1, 8.5, 10.3	
406	1	Incidents of discrimination and corrective actions taken	136	FB-FR-310a.2	5.1, 8.8	
407	1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	136		8.8	
408	1	Operations and suppliers at significant risk for incidents of child labor	142		5.2, 8.7, 16.2	
409	1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	142		5.2, 8.7	
410	1	Security personnel trained in human rights policies or procedures	136			
413	1	Operations with local community engagement, impact assessments, and development programs	96		8.3	
413	2	Operations with significant actual and potential negative impacts on local communities	105			
414	1	New suppliers that were screened using social criteria	142, 143		5.2, 8.8	
414	2	Negative social impacts in the supply chain and actions taken	142, 143		5.2, 8.8	
415	1	Political contributions	63, 140		16.5	
416	1	Assessment of the health and safety impacts of product and service categories	121	FB-FR-250		
416	2	Incidents of non-compliance concerning the health and safety impacts of products and services	121	FB-FR-260a.1, FB-FR-260a.2		
418	1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	65		16.7	

et fuel consumed, percentage renewable (fleet)	69	FB-FR-110a.1
Percentage of refrigerants consumed with zero ozone-depleting potential	108	FB-FR-110b.2
Average refrigerant emissions rate	108	FB-FR-110b.3
Number of vehicles in corporate fleet	111	FB-FR-000.C
Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	112	FB-FR-430a.3

INDEPENDANT REVIEW REPORT



Independent Review Report

GRUPO ÉXITO

This report has been prepared exclusively in the interest of **GRUPO ÉXITO** Companies.

We have examined the contents of the **GRUPO ÉXITO** Companies following the guidelines set forth in the Global Reporting Initiative Sustainability GRI Standards and the sustainability report assurance procedures defined by the Colombian Institute of Technical Standards and Certification (ICONTEC).

The preparation, content, and self-declaration of the CORE level for the social indicators, is the responsibility of the **GRUPO ÉXITO** Companies, which is also responsible for defining, adapting, and maintaining the management and internal control systems from which the information is obtained.

Our responsibility is to provide an independent report based on the procedures applied in our limited review, which was planned and carried out in accordance with the protocol for the **Icontec** Sustainability Reporting Service, based on GRI Standard guidelines.

The scope of the underwriting commitment was developed as agreed with **Icontec**. It includes the verification of a sampling of the activities described in the report and a review of the application of the principles in general, specific and basic contents that present the sustainability performance for the period 2022-01-01 to 2022-12-31.

We have reviewed and verified the information which allows us to provide an opinion about the nature and scope of the organization's compliance with the transparency principles and a conclusion about the reliability of its basic and specific contents.

The review exercise consisted in collecting evidence and included interviews to confirm information about company processes, responsible for the determination of materiality and the management approach that have participated in the preparation of the accountability. The emphasis was on reliability of information. Also included were the consultation of the main interest groups, such as suppliers and employees, through surveys and interviews respectively.

The external verification was conducted by the Icontec team on 2023-02-06 in the Envigado Municipality.

Below, we describe the analytical procedures and sampling review tests that were applied to reach our conclusions:

- Reading and review of the specific contents or indicators; For the review of the activities carried out by **GRUPO ÉXITO** Companies with relation and consideration of its stakeholders, as well as the scope, relevance and integrity of the information, as well as the company's understanding of the stakeholders requirements.
- Analysis of the contents adaptation of the specific contents or indicators to the "compliance" criteria, with the Global Reporting Initiative (GRI) GRI Standards.
- Meetings with the staff responsible for the different contents to learn the applied management approaches and to obtain the necessary information for the external verification. Twelve (12)

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INDEPENDANT REVIEW REPORT



interviews were conducted with each of the processes responsible for the activities selected in our verification exercise on 2023-02-14 to 2023-02-15. These were selected in our assurance exercise.

- Analysis of the Management Report design process and the data collection and validation processes, as well as the review of information relative to the management approach applied to the content reported, carried out on 2023-02-10.
- Confirmation, through the selection of a sample, of the quantitative information of the specific contents and checking the correlation to the criteria established in the Guide.

Indicators corresponding to the specific contents or indicators in the following categories:

- Number of collaborators (by gender, age, department, employment category, country of origin, ethnic group, disability, vulnerable population, type of contract).
- Number of employees trained (by job category, by age, by gender, by type of training).
- Number of collaborators who have received a performance evaluation.
- Percentage of employees covered in collective bargaining agreements.
- Number of collective pacts and agreements.
- Number of hires to fill vacancies.
- Selection costs.
- Number of direct collaborators promoted.
- Overall turnover rate.
- Percentage of employee turnover with an indefinite term contract.
- Voluntary turnover percentage.
- Wage gap by gender and organizational structure (ratio).
- Number of employees aware of diversity and inclusion issues.
- Number of occupational diseases and description.
- LTIFR rate.
- Number of deaths resulting from an occupational disease.
- Number of occupational accidents with major consequences for employees and their description.
- LTIFR rate.
- Deaths Resulting from a Work Accident Injury.

Conclusion:

As a result of our limited review, we conclude that the **GRUPO ÉXITO** Companies specific contents or indicators was prepared, in all significant aspects, in accordance with the GRI Standards. It complies with document creation principles. There is no information that would lead us to believe that the aspects reviewed, as described herein, contained significant errors.

The scope of a limited review is substantially less than an audit. Therefore, we will not provide an audit opinion about the specific contents or indicators.

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INDEPENDANT REVIEW REPORT

Independence:

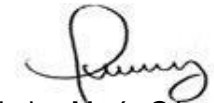
We carried out our work in line with code of ethics requirements, which require that the assurance team members and the sustainability assurance firm, are not related to client, including those that were not involved in writing the report. The code also includes detailed requirements to ensure the behavior, integrity, objectivity, professional competence, diligence, confidentiality, and professionalism of the verifiers. Icontec has implemented systems and processes to monitor compliance with the code and to prevent conflicts of interest.

Use and disclosure restrictions:

This independent review report was prepared exclusively to provide assurance of the contents in the **GRUPO ÉXITO** Companies specific contents or indicators for the year ending as at 2022-12-31. It was prepared in line with the sustainability report assurance procedures created by Icontec and may not be used for any other purpose.

Our report is for the sole and exclusive presentation to interested parties reading the report and should not be distributed or used by others.

Colombian Institute of Technical Standards and Certification (ICONTEC)



Luisa María Gómez Restrepo
Regional Director
2023-03-10

AAR

People do business with people they know, like and trust.

knowing you.



THE UNDERSIGNED EXTERNAL AUDITOR OF THE

FUNDACIÓN ÉXITO
NIT 890.984.773 – 6

CONSIDERING THAT:

1. That in accordance with articles 2 and 10 of Law 43 of 1990, the matter - object of the Auditor's own certification function is information that can be extracted from the accounting books or the accounting system of the audited entity, that is, from **Fundación Éxito**.
2. That, in accordance with the legal provisions and existing jurisprudential pronouncements on the matter, the certification function is an activity typical of accounting science, which has the character of evidence when it deals with acts typical of the profession of Public Accountant, that is, when issued based on the accounting assertions of the records in the accounting books and in the accounting system.
3. That the information on the number of children cared for by the entity is not extractable information directly from the accounts of **Fundación Éxito** and must be accredited by the administration of the entity.
4. That, for the purposes of issuing this certification, the Administration of **Fundación Éxito**, provided the External Audit:
 - Consolidated File of the Projects executed during the 2022 period.
 - Listing count for each of the programs.
 - Number of beneficiaries per project.
 - Delivery number per project.
 - Number of amounts per project.
 - Consolidated file of certifications issued by the institutions through which the Foundation executes each of the projects, in the period from January to December 2022.
 - Randomly selected sample of certifications from January to December 2022.

The above information was confirmed and reviewed by **Fundación Éxito**.

5. For the purposes of issuing this certification, the work of the External Audit consisted of a review of the information on the executed projects of the months subject to certification, in accordance with the assertions of existence, registration, rights and obligations in the extra-accounting book kept by **Fundación Éxito**.

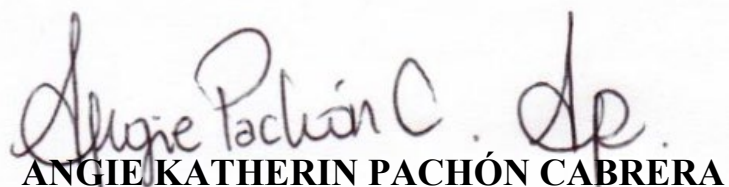
In accordance with the foregoing considerations, we hereby issue the certification requested by the Administration of **Fundación Éxito**.

CERTIFIES:

According to the information provided by **Fundación Éxito**, and the result of the selective tests carried out on the documents and records of the consolidated Projects executed during the 2022 term, in accordance with the International Auditing and Information Assurance Standards, I certify that the number of benefited children was for a total of sixty thousand forty-six (60,046), with an economic investment of \$ 21.374.814.366.

Given in Medellin, on February 03, 2023, at the request of the administration of the **Fundación Éxito**.

Sincerely,


ANGIE KATHERIN PACHÓN CABRERA
External Auditor

TP 191153-T
CER-0273-23
By delegation of
Kreston RM SA
Consultants, Auditors, Advisers
Kreston Colombia
Member of Kreston International Ltd.

INDEPENDANT REVIEW REPORT



Independent Review Report

GRUPO ÉXITO

This report has been prepared exclusively in the interest of **GRUPO ÉXITO** Companies.

We have examined the contents of the **GRUPO ÉXITO** Companies following the guidelines set forth in the Global Reporting Initiative Sustainability GRI Standards and the sustainability report assurance procedures defined by the Colombian Institute of Technical Standards and Certification (ICONTEC).

The preparation, content, and self-declaration of the CORE level for the environmental indicators, is the responsibility of **GRUPO ÉXITO** Companies, which is also responsible for defining, adapting, and maintaining the management and internal control systems from which the information is obtained.

Our responsibility is to provide an independent report based on the procedures applied in our limited review, which was planned and carried out in accordance with the protocol for the **Icontec** Sustainability Reporting Service, based on GRI Standard guidelines.

The scope of the underwriting commitment was developed as agreed with **Icontec**. It includes the verification of a sampling of the activities described in the report and a review of the application of the principles in general, specific and basic contents that present the sustainability performance for the period 2022-01-01 to 2022-12-31.

We have reviewed and verified the information which allows us to provide an opinion about the nature and scope of the organization's compliance with the transparency principles and a conclusion about the reliability of its basic and specific contents.

The review exercise consisted in collecting evidence and included interviews to confirm information about company processes, responsible for the determination of materiality and the management approach that have participated in the preparation of the accountability. The emphasis was on reliability of information. Also included were the consultation of the main interest groups, such as suppliers and employees, through surveys and interviews respectively.

The external verification was conducted by the Icontec team between 2023-02-20 to 2023-03-01 in the Envigado Municipality.

Below, we describe the analytical procedures and sampling review tests that were applied to reach our conclusions:

- Reading and review of the specific contents or indicators; For the review of the activities carried out by **GRUPO ÉXITO** Companies with relation and consideration of its stakeholders, as well as the scope, relevance and integrity of the information, as well as the company's understanding of the stakeholders requirements.
- Analysis of the contents adaptation of the specific contents or indicators to the "compliance" criteria, with the Global Reporting Initiative (GRI) GRI Standards.
- Meetings with the staff responsible for the different contents to learn the applied management approaches and to obtain the necessary information for the external verification. Twenty (20)



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interviews were conducted with each of the processes responsible for the activities selected in our verification exercise on 2023-02-20 to 2023-03-01. These were selected in our assurance exercise.

- Analysis of the Management Report design process and the data collection and validation processes, as well as the review of information relative to the management approach applied to the content reported, carried out on 2023-02-20 to 2023-03-01.
- Confirmation, through the selection of a sample, of the quantitative information of the specific contents and checking the correlation to the criteria established in the Guide.

Indicators corresponding to the specific contents or indicators in the following categories:

Climate Strategy - Scope 1:

- Direct GHG emissions associated with the consumption of fossil fuels per year (LTSA)
- Direct GHG emissions associated with the consumption of fossil fuels per year (VP services)
- Direct GHG emissions associated with the consumption of fossil fuels per year (Operation Viva)
- Direct GHG emissions associated with the consumption of fossil fuels per year (IdeAL)
- Direct GHG emissions associated with the consumption of fossil fuels per year (Airplane, VP Services)
- Direct GHG emissions associated with the consumption of refrigerant gases in the cold systems per year (Maintenance)
- Direct GHG emissions associated with the consumption of refrigerant gases in cold systems per year IdeAL
- Direct GHG emissions associated with recharging fire extinguishers per year (Risk Management)
- Direct GHG emissions associated with fire extinguisher recharges per year (LTSA)
- Direct GHG emissions associated with recharging fire extinguishers per year (IdeAL)
- Direct GHG emissions associated with fire extinguisher recharges per year (Live Operation)
- Total direct GHG emissions associated with the consumption of fossil fuels, refrigerant gases and extinguishing agents per year (Grupo Éxito, Sustainability)

Climate Strategy - Scope 2:

- Consumption of conventional energy per year (Retail and Cedis, Public Services)
- Consumption of conventional energy per year (Live Operation)
- Consumption of conventional energy per year (IdeAL)
- Consumption of certified green energy per year (Live Operation)
- Consumption of photovoltaic renewable energy per year (Retail and Cedis, Public Services)
- Consumption of renewable photovoltaic energy per year (Operation Viva)

INDEPENDANT REVIEW REPORT



- Indirect GHG emissions associated with the consumption of electrical energy per year (Retail, Cedi, HQ, VP Services)
- Indirect GHG emissions associated with the consumption of electricity per year (Live Operation)
- Indirect GHG emissions associated with the consumption of electrical energy per year (IdeAL)
- Total indirect GHG emissions associated with the consumption of conventional and renewable energy per year (Grupo Éxito, Sustainability)

Climate Strategy - Scope 1 and 2:

- Total Scope 1 and 2 GHG emissions associated with the operation of the different businesses of Grupo Éxito (Grupo Éxito, Sustainability)
- % reduction in scope 1 and 2 GHG emissions vs. baseline year 2015 (Grupo Éxito, Sustainability)

Climate Strategy, Scope 3:

- Indirect GHG emissions associated with the transportation of the third upstream fleet (LTSA)
- Indirect GHG emissions associated with business trips (VP Services)
- Indirect GHG emissions associated with the use of products sold (EDS, Éxito Brand Management)
- Indirect GHG emissions associated with the disposal of waste generated in the operation (Retail, Cedi and HQ, Environmental Management)
- Total indirect GHG emissions scope 3 (Grupo Éxito, Sustainability)

Water management:

- Water consumption in the Retail operation (Retail, Cedi, HQ, Public Services)
- circular economy:
- Amount of hazardous waste generated in the company and disposed of in a security cell per year (Retail, Cedi, HQ, Environmental Management)
- Amount of used cooking oil waste managed for its correct final disposal and/or use (Retail, Cedi, HQ, Environmental Management)
- Amount of organic waste managed for its use (Retail, Cedi, HQ Environmental Management).
- Amount of ordinary waste generated by the company and that was destined for sanitary landfills (Retail, Cedi, HQ, Public Services)
- Amount of usable waste of paper and cardboard collected through the behind-the-scenes recycling model per year (Retail, Cedi, HQ, Fundación Éxito)

INDEPENDANT REVIEW REPORT

- Amount of usable waste from plastic hooks collected through the back-room recycling model per year (Grupo Éxito, Fundación Éxito)
- Amount of usable plastic waste collected through the behind-the-scenes recycling model per year (Grupo Éxito, Fundación Éxito)
- Amount of usable scrap metal waste collected through the behind-the-scenes recycling model per year (Grupo Éxito, Fundación Éxito)
- Amount of usable waste from other categories (PET, Kraft paper, newspapers, magazines, glass, etc...) collected through the behind-the-scenes recycling model per year (Grupo Éxito, Fundación Éxito)
- Total amount of usable waste collected through the back-room recycling model per year (Grupo Éxito, Fundación Éxito)
- Amount of recyclable packaging of post-consumer love bottles delivered by customers and managed for their use (Retail, Fundación Éxito)
- Amount of recyclable post-consumer metal containers delivered by customers and managed for their use (Retail, Fundación Éxito)
- Number of recyclable post-consumer plastic containers delivered by customers and managed for their use (Retail, Fundación Éxito)
- Amount of recyclable packaging

Conclusion:

As a result of our limited review, we conclude that the **GRUPO ÉXITO** Companies specific contents or indicators was prepared, in all significant aspects, in accordance with the GRI Standards. It complies with document creation principles. There is no information that would lead us to believe that the aspects reviewed, as described herein, contained significant errors.

The scope of a limited review is substantially less than an audit. Therefore, we will not provide an audit opinion about the specific contents or indicators.

Independence:

We carried out our work in line with code of ethics requirements, which require that the assurance team members and the sustainability assurance firm, are not related to client, including those that were not involved in writing the report. The code also includes detailed requirements to ensure the behavior, integrity, objectivity, professional competence, diligence, confidentiality, and professionalism of the verifiers. Icontec has implemented systems and processes to monitor compliance with the code and to prevent conflicts of interest.

INDEPENDANT REVIEW REPORT



Use and disclosure restrictions:

This independent review report was prepared exclusively to provide assurance of the contents in the **GRUPO ÉXITO** Companies specific contents or indicators for the year ending as at 2022-12-31. It was prepared in line with the sustainability report assurance procedures created by Icontec and may not be used for any other purpose.

Our report is for the sole and exclusive presentation to interested parties reading the report and should not be distributed or used by others.

Colombian Institute of Technical Standards and Certification (ICONTEC)

A handwritten signature in black ink, appearing to read "Luisa María Gómez Restrepo".

Luisa María Gómez Restrepo
Regional Director
2023-03-10

UV

Glosario

- **Common stock:** it is an equity instrument that is subordinated to all other classes of equity instruments.
- **Asset:** it is a resource: (a) controlled by the entity as a result of past events; and (b) from which the entity expects to obtain future economic benefits.
- **Scope 1:** Scope 1 accounts for direct GHG emissions from sources that are owned or controlled by the company, such as emissions from combustion in boilers, furnaces, vehicles, etc. (World Resources Institute and World Business Council for Sustainable Development, 2004).
- **Scope 2:** Scope 2 accounts for GHG emissions from the generation of purchased electricity consumed by the company. Purchased electricity is defined as electricity that is acquired or otherwise introduced into the company's premises. Scope 2 emissions physically occur at the facilities where the electricity is generated. (World Resources Institute and World Business Council for Sustainable Development, 2004).
- **Scope 3:** Scope 3 is an optional category of information that allows for the treatment of all other indirect emissions. Scope 3 emissions are a consequence of the company's activities but occur from sources that are not owned or controlled by the company. Some examples of scope 3 activities are the extraction and production of purchased materials, the transportation of purchased fuels, and the use of sold products and services. (World Resources Institute and World Business Council for Sustainable Development, 2004).
- **Climate Change:** According to the United Nations Framework Convention on Climate Change (UNFCCC), climate change is defined as a change of climate that is attributed directly or indirectly to human activity that alters the composition of the global atmosphere and that is in addition to natural climate variability observed over comparable time periods.
- **Conflict of Interest:** That situation in which the interests of an employee, shareholder, company director, its subsidiaries, affiliates or related parties, its strategic allies or external auditors, or any third party related to them, conflict with the interests of the Company, putting at risk the objectivity and independence in decision-making or in the exercise of their functions.
- **Cash equivalents:** are short-term, highly liquid investments that are easily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.
- **Consolidated financial statements** are the financial statements of a group presented as if it were a single economic entity.
- **Separate financial statements are the financial statements of an investor,** whether it is a parent, an investor in an associate, or a participant in a jointly controlled entity, in which the corresponding investments are accounted for based on the amounts directly invested, and not based on the results obtained and the net assets held by the entity in which it has invested.
- **Greenhouse gases:** GHGs are compounds that are present in the atmosphere and can increase the temperature of the atmosphere. This is due to their ability to absorb and emit infrared radiation. (IDEAM, 2015).

- **Stakeholders:** They are all those people or group of people who have an interest in the Company or who could be impacted by the development of its business activity. Likewise, stakeholders are considered to be those people who, without having a direct interest in the Company, can affect the fulfillment of its objectives. Therefore, they are groups of people who can have an impact on the sustainability of the Company. Among others, shareholders, investors, directors, managers, employees, suppliers, contractors, customers, opinion leaders, and the community in general are considered stakeholders.
- **Carbon footprint:** The carbon footprint is the amount of greenhouse gases - GHGs emitted into the atmosphere by direct or indirect emanation of an individual, organization, event or product (WRI, 2015).
- **Financial instrument:** it is any contract that simultaneously gives rise to a financial asset in one entity and a financial

