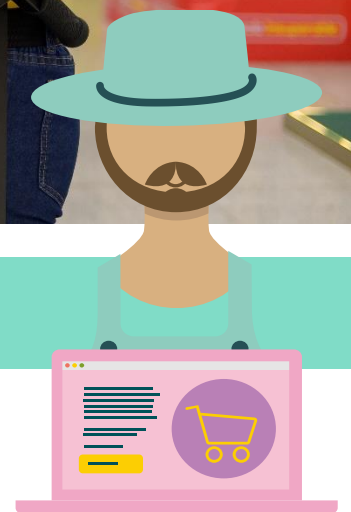


Corporate Governance Report



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

Introduction

In terms of corporate governance, 2023 was a crucial year for Grupo Éxito because we became the first Colombian corporation ever to enter two international capital markets as an issuing entity in addition to Colombia: The United States (the world's largest stock market and worldwide transactions leader), and Brazil (South America's largest and most liquid stock market).



Similarly, the company continued improving its Corporate Governance instruments, enhancing the Company bylaws, the Rules of Procedure of the General Shareholders Meeting and the Policy of Election and Succession of the Board of Directors. These changes were approved in the Extraordinary General Meeting of Shareholders that took place on April 27, 2023.

Listing securities in the aforementioned markets, and thus making Grupo Éxito the only Colombian company to be listed in all three of them, came into reality as a result of the project developed by Casino Guichard Perrachon ("Casino") and Companhia Brasileira de Distribuição ("GPA" or "CBD"), project that was released to the market on September 2022, and lead the company to three major changes: (i) the implementation of a Brazilian Depositary Receipts Level II (BDRS Level II) program; (ii) the modification of the deposit receipt program to American Depositary Receipts Level II (ADRS Level II); and (iii) the reduction of capital and reimbursement of GPA contributions, which happened in Brazil. This allowed GPA to distribute 83.26% of its owned capital in Éxito to its more than 50,000 shareholders¹. As a result of this operation, GPA shareholders became direct Éxito shareholders and received their shares through ADRS Level II or BDRS Level II, (the "Project").

The key information related to reaching this milestone is as follows:

- (i) April 4: The "Comissão de Valores Mobiliários de la República Federativa de Brasil" ("CVM") and the Bolsa B3 S.A. – Brasil, "Bolsa, Balcão" ("B3") approved the company's application for listing and admission for trading in the "Novo Mercado" segment of BDRS Level II.
- (ii) July 25: The application for registration (Form 20-F) of its ADRs Level II with the Securities and Exchange Commission of the United States (SEC) was declared effective and the New York Stock Exchange ("NYSE") approved the listing of the ADRs Level II.
- (iii) August 23: Transfers of the 1,080,556,276 outstanding ordinary shares of the company owned by GPA were perfected (equivalent to 83.26% of the company's outstanding ordinary shares) to the Company's Level II Brazilian Deposit Receipts Program | Itau Unibanco S.A. – BDR Program to the Company's Level II American Deposit Receipts Program ("ADRS Level II") | J.P. Morgan Chase Bank NA FOB Holders of DR, whose local custodian is BNP Paribas Securities Services Trustee.

¹ GPA distributed 1,080,556,276 common shares of the company, in the form of Brazilian Depositary Receipts Level II, and American Depositary Receipts

Following the completion of these transfers, the company's share participation changed by more than 5% of its capital, and the market was appropriately notified via the relevant information channel provided by the Financial Superintendency of Colombia ("SFC," by its acronym in Spanish).

- (iv) September 6: The bell ringing ceremony was held in the Brazilian Stock Exchange, B3, marking the beginning of the trading of the BDRS level II in the Novo Mercado segment of said exchange, which have been trading in that country since August 23, 2023.
- (v) September 15: The iconic ring bell was held on the United States Stock Exchange, New York Stock Exchange (NYSE), as a protocol ceremony to celebrate the start of trading of the ADRs Level II on said exchange, which have been trading in that country since August 23, 2023.
- (vi) September 20: The bell ringing in the Colombia Stock Exchange was made, as a symbolic ceremony through which the presence of the company in the three stock markets is recognized, and therefore, all bell rings are then closed.

Later, on October 16, it became widely known—through information that Grupo Casino had published as relevant fact and that the company had replicated—that Cama Commercial Group, Corp., a prospective buyer, and Grupo Casino and GPA, potential sellers, had signed a pre-agreement whereby the latter two committed to sell their entire share of the company (a total of 47.36%) to the prospective buyer through the public takeover bids that the buyer would make in Colombia and the United States (the "OPAs" in Spanish, "Colombian or US TO" for Tender Offer).

The simultaneous takeover bids were launched on December 10 in Colombia and on December 18 in the US, subject to a minimum acquisition condition of at least 51% of the outstanding shares. Once the US TO ended on January 18, 2024, 106,158,488 American Depositary Shares (or "ADS") representing 849,267,904 common shares of the company were received, which is equal to 65.44% of its total share capital. The number of ADS offered includes 55,238,285 restricted ADS owned by Grupo Casino, representing 441,906,280 ordinary shares, equivalent to 34% of the company's share capital. In reference to the Colombian TO, which expired on January 19, 2024, 1,152 acceptances were obtained, corresponding to 277,849,737 shares of the company, equivalent to 21.41% of its share capital.



In this context, Cama Commercial Group, Corp. would become the owner of 86.84% of the stock of the company.



See the changes in the shareholding composition [here](#).





In the final quarter of the year, an internal assessment of the Board of Directors' and its committees' performance was conducted, adhering to the company's good practices and the regulations set forth by the Board. The evaluation methodology included: (i) a self-assessment, (ii) a peer review, (iii) an evaluation of the functioning of the Board of Directors and the support committees, and (iv) an assessment of the knowledge of internal regulation and recommendations about it.


As the assessment process progressed, it became clear that the establishment of the Board of Directors and its supporting committees are distinguished as bodies that are characterized by their exceptional qualifications to handle the many difficulties inherent in their administration and operation. In addition, the directors' knowledge, experience, and exposure to various senior management roles in various contexts and industries, along with their analytical management skills, strengthen their vision for evaluating and managing the strategic affairs of the company on a national and international scale, thereby contributing to the economic and commercial transformation of the nation.


To explore more details on the results of the evaluation process, please visit the [section](#) on the subject contained in this report.

Furthermore, the company continued to work to implement best management practices in corporate governance and followed up the measures adopted that contributed to maintaining high standards. For the year 2023:

- 

Through completion of the best corporate practices survey (Country Code), the Company achieved a 97% adoption rate of the SFC's recommended best practices.
- 

On the **S&P Global Corporate Sustainability Assessment (CSA)**, received a score of 73 points, achieving the 97th percentile of the industry. The company placed in the 96th percentile of the industry with a score of 69 in the corporate governance chapter. Similarly, the Company ranked #7 among the most sustainable Food & Staples Retailing companies in the world, ranking #1 in Colombia and #2 in Latin America.
- 

For the eleventh year in a row, Grupo Éxito was recognized by the College of Higher Studies of Administration (CESA), in conjunction with the Colombian Stock Exchange (BVC), for its willing adoption of best practices in the areas of information disclosure and investor relations.
- 

According to the Business Monitor of Ibero-American Corporate Reputation (Merco), Grupo Éxito was ranked as the seventh most reputable company in Colombia. Éxito also maintained its position as the most reputable *retailer* in the country. Our CEO, Carlos Mario Giraldo, was ranked fifth in the same ranking, moving up one spot from the previous year's ranking of leaders. Additionally, our communications department was ranked third in a survey conducted among journalists.

The key driver behind the promotion of internal processes within the organization aimed at raising awareness and achieving goals in line with the principles of integrity, transparency, and good governance—principles that foster enduring relationships and trust with various stakeholders—was the leadership and dedication of Senior

Management in the development of an ethical culture and integrity as a fundamental element in the sustainability of the business over time.

The Company guides its corporate governance within the framework of transparent action, utilizing approaches to ensure legal compliance, comprehensive risk management, and the assurance of its internal control system. This allows the Company to meet and satisfy the goals of various stakeholders who benefit from the achievement of business objectives. To strengthen the culture of integrity as one of the key components in the management of compliance risks that create value and aid in the accomplishment of organizational goals, the management of the compliance program highlights actions that incorporate the concept of continuous improvement and that were directed to comply with the legal framework applicable to the management of compliance risks. Other actions include the development of automatic alert detection tools for timely and effective risk management and its articulation with various internal processes.

The primary goal of Grupo Éxito's risk management is to protect and create value, leverage the achievement of strategic pillars, drive informed and conscious decision-making, and maximize competitive advantages. It also works in tandem with business continuity management to develop the company's capabilities to anticipate, prepare for, respond to, and recover from a specific event in a timely and assertive manner. All these goals are intrinsic to the company's corporate strategy.

In 2023, a strategic risks profiling process was established based on an understanding of the dynamics of the following environments: political, economic, social, technological, environmental, and legal. Additionally, comprehension of the sector of the business operations and internal change analysis was considered. This was made possible by the dedication and empowerment of the Senior Management Team. Treatment strategies were also established to mitigate the likelihood of these hazards occurring and their detrimental effects, as well as to identify opportunities that may be fully used.

As part of our program to strengthen Business Continuity Management (BCM), new crisis management protocols were established in certain processes, simulation workshops were held, the Strategic Business Impact Analysis (BIA) was updated, and a new strategy formulation raised the awareness of the company's management team. Furthermore, capacities and instruments were reinforced to support, organize, and simplify decision-making during an organizational crisis.

The ability to adapt, together with decision-making agility and risk-based thinking, will be crucial for maintaining corporate competitiveness and ensuring long-term growth that benefits all stakeholders.

In addition to guaranteeing regulatory compliance, organizational internal control is designed to add strategic value to the organization by enhancing productivity, preserving information integrity, assisting in decision-making, and safeguarding the organization's reputation, all founded on a culture that uses self-management and corporate principles as the pillars of an essential management system for all the different businesses.

Company Ownership Structure

Capital and Structure [GRI 2-4]

Each share that's listed in the Shareholder Register shall entitle the corresponding holder to one vote at the General Shareholders' Meeting, without restriction in terms of the number of votes that the holder or its 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 of 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.

In light of the listings in the US and Brazil stock exchanges mentioned in the report's introduction, as of August 23, 2023, shareholders are registered in the Itau Unibanco S.A. Shareholder Register (being this entity, the depositaries of the BDRS Level II Program), each of which is equivalent to four common shares of the business; and J.P. Morgan Chase Bank NA FOB, acting as depositary of the ADRS Level II Program, each representing eight common shares of the company.

As of December 31, 2023, the Company has 1,590 million common shares authorized of which 1,344.72 million have been issued and 46.86 million are being held in reserve. Out of the issued shares, 1,344,720,453 are outstanding and 46,856,094 have been repurchased

As of December 31, 2023, there were 10,525 shareholders. A total of 96.26% of which are people that account for 0.97% of the total ownership of the Company, and 3.74% are other legal entities that own 99.03% of the total ownership of Grupo Éxito.

Major Direct and Indirect Shareholders [GRI 2-9]

As of December 31, 2023, Grupo Casino indirectly owned 34.05% of the Company's share capital through its subsidiaries Casino Guichard Perrachon S.A., Geant International B.V., Helicco Participacoes LTDA, and Segisor S.A.S. via the ADRS Level II and BDRS Level II programs.

Conversely, following the capital reduction of GPA as outlined in this report's introduction, GPA kept a 13.26% share capital holding in the Company, of which 8.26% came directly from GPA and 5% through GPA2 Empreendimentos e Participações Ltda.

Except for the participation of all depositary entities in the BDRS Level II and ADRS Level II programs, and the shares of Grupo Casino and GPA, none of the remaining shareholders owns a holding that is equal to or higher 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



As of December 31, 2023, Luis Fernando Alarcón Mantilla, Chairman of the Board of Directors, held 30,000 common shares. The acquisition of these shares was duly authorized and disclosed in 2016, and no transactions were made in 2023 that should be reported.

Christophe Hidalgo as a result of the capital reduction made by GPA received 62,109 BDRs Level II from the company.

No other member of the board of directors owned corporate securities as of December 31, 2023, including ordinary shares, BDRs Level II, or ADRs Level II.

As of December 31, 2023, three members of Senior Management (levels one and two of the company's organizational structure) were listed as owners of a total of 5,277 shares. During 2023, these persons did not carry out any transactions with the organization's shares.

No other Senior Management member held securities (ordinary shares, BDRs Level II, or ADRs Level II) of the company as of December 31, 2023.

As reported on December 20, 2023, through the relevant information mechanism provided by the SFC and before the respective authorities in Brazil and the United States, the Board of Directors authorized two administrators; Director Christophe Hidalgo, who executed the transaction in January 2024, making available 62,109 BDRs Level II, and a member of the senior management, who did not execute the transaction.



Since these were public operations and outside speculation, in the case of the Board of Directors member, authorization was approved by all members of the Board, with the applicant not included; similarly, in the case of the Senior Management member, authorization was approved by all members of the Board. In both cases, the time limit for the disposition of their securities has been granted for the period of acceptance of the takeover bids.

Currently, the company does not have securities other than ordinary shares, BDRs Level II and ADRs Level II.

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

As previously mentioned, as of December 31, 2023, the following stakes in the Company were held indirectly by Grupo Casino: (i) 34.05% of the Company's share capital; and (ii) 13.26% of the Company's share capital via GPA.

As previously reported, as a result of the Company's listings on the public markets in Brazil and the United States, Itau Unibanco S.A. is listed in the Shareholder Register as a depository of the BDRs Level II Program, and J.P. Morgan Chase Bank NA FOB, as depository of the ADRs Level II Program of the company.

Except for the aforementioned companies, no other shareholders of the company own substantial positions that are defined as owning a number equal to or exceeding 10% of the outstanding shares.

When the operations covered by the aforementioned takeover bids are completed, Cama Commercial Group, Corp. will own 86.84% of the company's share capital.



See shareholder structure [here](#).

Shareholder Agreements

On September 1, 2023, the shareholder agreement signed by GPA, Grupo Casino, and other Casino-controlled entities was registered before the company.

The Company disclosed this information to the market through the relevant reporting mechanism provided by the SFC and before the authorities of the United States and Brazil. This shareholder agreement established certain principles and procedures to ensure the continuity of the Casino Group's control over the Company, as well as to coordinate and optimize any future disposal of the respective shares in the Company.



To access the shareholder agreement, click [here](#).

Company Management Structure and Related Operations [GRI 2-9]

Composition of the Board of Directors and Committees

According to Article 31 of the bylaws, the Board of Directors is made up of nine Members, elected by the General Shareholders' Meeting. At least three of these members must be independent, as required by Law 964 of 2005 or other norms or rules that amend or add to it.

The resignation of Mrs. Ana María Ibanez Londoño, who had been an independent member since March 20, 2014, was received on May 16, 2023, and became effective on May 30, 2023, leaving the Board of Directors with just eight members as of December 31, 2023

Board of Directors [GRI 2-9]



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

Board of Directors Elected by the General Shareholders' Meeting for the 2023-2025 period [GRI 2-10]

On March 23, 2023, the General Shareholders' Meeting during its annual meeting elected the Board of Directors.

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, race, among others) and the provision of multiple identities and perspectives for proper decision-making.

See the profile of each of the members of the Board of Directors, by clicking on each photo.



Independent members [GRI2-9]



Luis Fernando Alarcón Mantilla
(Chairman [GRI 2-11])



Felipe Ayerbe Muñoz



Ana María Ibáñez*

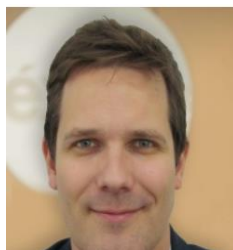


Ana Fernanda Maiguashca

Non-independent members [GRI2-9]



Christophe José
Hidalgo



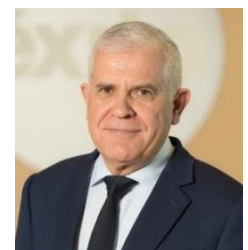
Guillaume
Michaloux



Rafael Russowsky



Bernard Petit



Philippe Alarcón

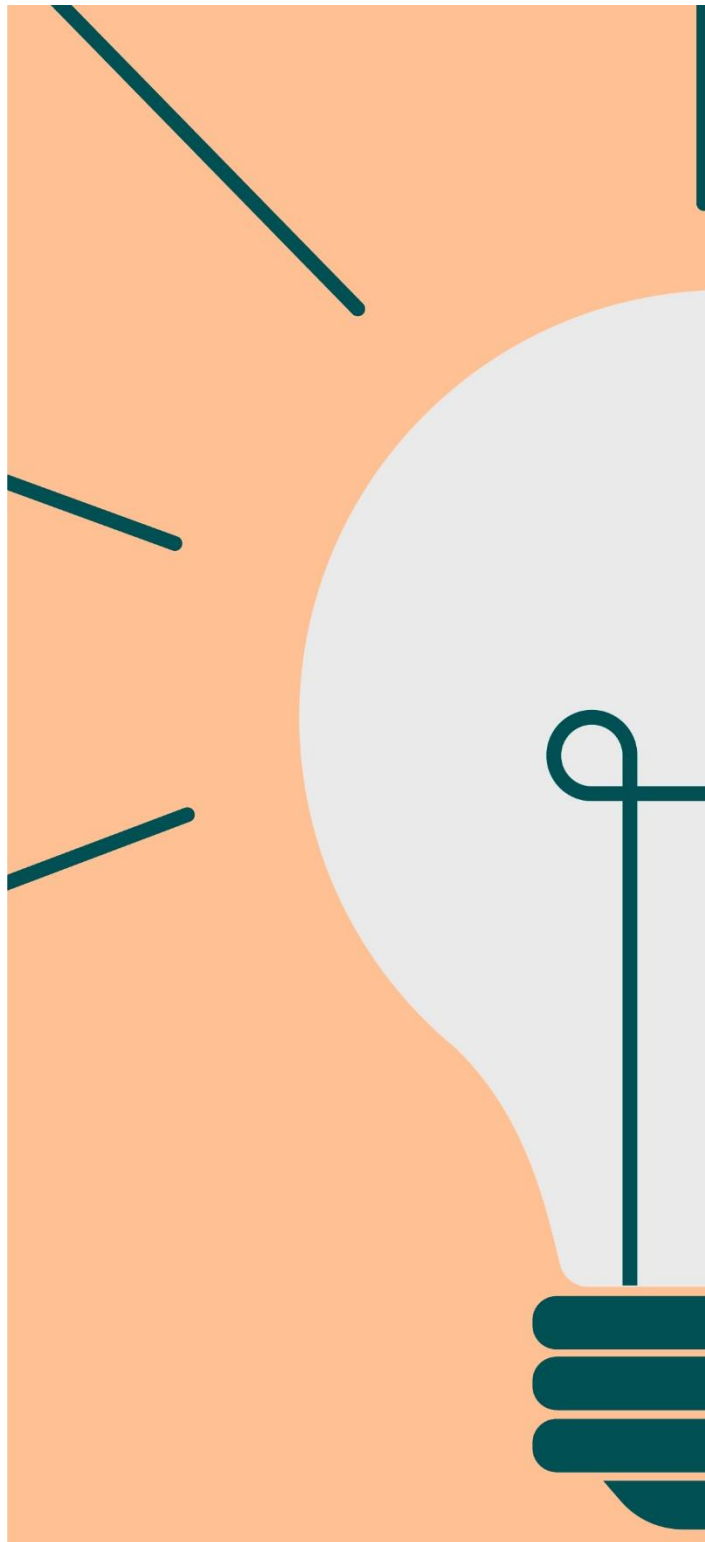
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*On May 16, 2023, Mrs. Ana María Ibáñez Londoño, who had served as an independent member since March 20, 2014, submitted her resignation, which became effective as of May 30, 2023. Her resignation was due to the fact that, since June 1, 2023, she has held the position of Vice President for Sectors and Knowledge of the Inter-American Development Bank (IDB), an entity that demands exclusivity to hold such a position.

The Board of Directors is comprised by three independent members and five additional non-executive or non-management patrimonial members.

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 conflicts of interest that arise and define rules for transactions between related parties.
- ✓ 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.



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:



- Chief Executive Officer**

Overall Company coordination and supervision, including commercial and financial management, as well as investor and market relations, maintaining the focus toward corporate strategy.
- 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, ensuring the integrity of the complete cycle of the retail operations.
- 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, this position contributes to the sustainability strategy, compliance, risks, insurance, institutional relations, and external communications.
- Vice-President Commercial and Supply:**

Direct, plan and define commercial, logistics and replenishment strategies, according to the policies, needs and results of the Company.
- 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, seeking to generate the highest profitability for the Company, the lowest costs in working capital management and the information necessary for decision-making.
- Real Estate Vice-President:**

Define, identify, and propose new business alternatives from a real estate and property perspective based on expansion plans and commercial strategies, to guarantee value generation and maximize the profitability of the Company's areas and spaces.
- Vice-President of Marketing:**

Direct, plan, and guide each brand's strategy and marketing activities to ensure market performance, supporting sales and the commercial strategy
- Vice-President of Omnichannel and Innovation:**

Define, plan, and direct the Company's omnichannel strategy, digital transformation, and innovation, leading initiatives and the development of new skills that improve customer experiences and revenue.
- Vice-president Human Resources:**

Plan, direct, and strategically guide personnel management processes while keeping the Company's and the law's policies in mind, resource protection and loss prevention considering the policies established by the Company and the law to achieve the objectives of the Company with qualified personnel.
- Vice President Retail:**

Oversee the omni-customer sales and operation strategy for brands and complementary retail businesses, through physical and digital consolidation.
- Internal Auditor:**

Define and direct the internal audit strategy to ensure its implementation and compliance..



To learn more about our management team, please click [here](#).

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 board of directors of Uruguayan subsidiaries Supermercados Disco del Uruguay S.A. and Odaler S.A.

Philippe Alarcón is a principal member of the boards of directors of Uruguayan subsidiaries Grupo Disco Uruguay S.A., Supermercados Disco del Uruguay S.A., Odaler S.A., and Devoto Hermanos S.A. as well as subsidiary Libertad S.A. in Argentina.

Christophe Hidalgo is a principal member of the boards of directors of the Uruguayan affiliates Grupo Disco Uruguay S.A., Supermercados Disco del Uruguay S.A., Odaler S.A., and Devoto Hermanos S.A.

Guillaume Michaloux serves an alternate member on the boards of directors of the Uruguayan subsidiaries Grupo Disco Uruguay S.A., and a principal member of the Uruguayan subsidiaries Supermercados Disco del Uruguay S.A., Odaler S.A., and Devoto Hermanos S.A.



Policies Approved by the Board of Directors in the 2023 Reporting Period

The Board of Directors assessed the proposed revision to the Board of Directors' Election and Succession Policy, releasing a favorable concept and encouraging the General Shareholders' Meeting to approve it at its extraordinary meeting on April 27, 2023. This proposal, which the General Shareholders' Meeting properly accepted at that meeting, included changes with the following goals:

- (i) Include in the personal skills the Board of Directors' required validations about the applicants' conflicts of interest, incompatibilities, and impairments.
- (ii) Establish a thorough system for impairments and incompatibilities that aims to guarantee that all members of the Board of Directors meet the suitability requirements.
- (iii) Clearly state the sources that provide the requirements for independence that a candidate must fulfill to be considered for an independent seat on the Board of Directors.
- (iv) Include guidelines for identifying possible conflicts of interest from the procedure of evaluation of candidates to the Board of Directors, to prove personal suitability for the exercise of the role under principles of integrity, objectivity, and impartiality.
- (v) Establish the procedures to be followed if the Board of Directors' and its Committees' performance evaluations show that a director's work needs to be improved or demonstrate that a director has failed to carry out any of their responsibilities.

The Board of Directors approved the creation of one single policy during 2023, in accordance with Securities and Exchange Commission Rule 10 D-1, which addresses the recovery of compensation based on incentives wrongfully granted to executive directors based on any measure of inaccurate financial reporting.

In other words, if the business needs to re-express the financial statements because of significant inaccuracies in any financial report, a process is in place to identify the proper incentive that ought to have been given using accurate data and recover the amount paid in excess.

Consistent with its pledge to implement optimal practices in corporate governance, the Company conducted analyses and evaluations of its policies based on national and international standards, as well as practices of comparable issuers in the securities markets where it operates (Colombia, USA, and Brazil). The objective was to detect potential concerns that might result in a higher level of maturity.

Procedure for the Election of Members 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. Subsequently, after analysis and favorable recommendation by the Board of Directors, on March 25, 2021, the General Shareholders' Meeting approved the amendment to the policy, to expressly clarify that the election of the Board of Directors considers the diversity criteria, as a matter promoted by the Company.

The General Shareholders' Meeting of 2023 approved on April 27, 2023, the proposal to amend the Board of Directors' Election and Succession Policy, whose goals were outlined in the preceding chapter (policies approved by the Board of Directors during the period 2023), following analysis and a positive recommendation by the Board of Directors.

Strict adherence was maintained to the guidelines in the aforementioned policy and procedure during the 2023 Board of Directors election process.

This information can be accessed [here](#).

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 amendment of which was approved by the Board of Directors in December 2023. The proposed amendment was made, among other reasons, to increase transparency and to make sure that the process used to elect the Board of Directors' members complies with the legal requirements for voting by ADRS and BDRS holders in the US and Brazil, respectively.

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).

Both the policy (Section 2.2.2 of the Corporate Governance Code) and the procedure, as well as the resume model and acceptance letter, are all available on the corporate website.

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 Shareholders' Meeting at the meeting at which the election is held. Accordingly, the remuneration received by the Board of Directors during 2023 corresponded to that approved at the annual meeting of the General Shareholders' Meeting, on March 24, 2023.

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.

Remuneration for the Board of Directors and Senior Management [GRI 2-19] [GRI 2 -20]

The remuneration of the Board of Directors for the period 2023-2025, approved by the General Shareholders' Meeting, at its Annual Meeting held on March 23, 2023, is as follows:

	Board of Directors	Committees
Chairman of the Board	Fee of fourteen million five hundred and fifty-five thousand Colombian pesos (COP14,555,000) for the preparation and attendance of each meeting of the Board of Directors.	A fee of nine million seven hundred three thousand two hundred Colombian pesos (COP9,703,200), for the preparation and attendance of each meeting of the respective committee.
Other members	A fee of nine million seven hundred three thousand two hundred Colombian pesos (COP9,703,200), for the preparation and attendance of each meeting of the Board of Directors.	A Fee of Four million eight hundred fifty-one thousand six hundred Colombian pesos (COP4,851,600), for the preparation and attendance of each meeting of the respective committee.

As a result, in 2023, the Company paid its Board of Directors members a total of COP2,886,039,902 for their attendance to Board and committee meetings.

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, VPs, 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.



To learn more about the compensation methodology outlined in the policy, click [here](#).



For the composition and professional profiles of 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/en

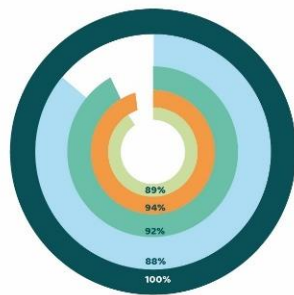
Board of Directors Support Committee

The Board of Directors had five management support committees in 2023, assisting management or decision-making functions. [Click here](#) for more information.

Attendance of Board of Directors and Committee Meetings

Quorum and attendance 2023

Board of Directors Member attendance

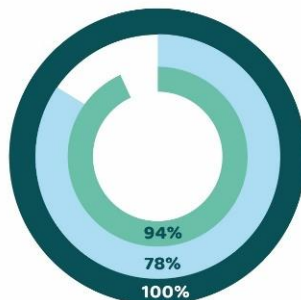


Member	Attendance	Percentage
Luis Fernando Alarcón Mantilla	18/18	100%
Felipe Ayerbe Muñoz	18/18	100%
Ana María Ibáñez Londoño ¹	7/8	88%
Ana Fernanda Maiguashca ²	12/13	92%
Christophe José Hidalgo	17/18	94%
Guillaume Michaloux	18/18	100%
Rafael Russowsky	16/18	89%
Bernard Petit	18/18	100%
Philippe Alarcon	16/18	89%

¹ Mrs. Ana María Ibáñez Londoño submitted her resignation to the Board of Directors on May 16, 2023, which was effective from the 30th day of that month.

² Ms. Ana Fernanda Maiguashca was appointed to the Board of Directors on March 23, 2023.

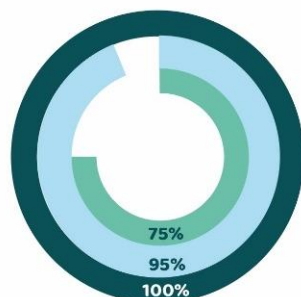
Audit and Risk Committee Member attendance



Member	Attendance	Percentage
Luis Fernando Alarcón Mantilla (Chairman)	20/20	100%
Ana María Ibáñez Londoño ³	7/9	78%
Felipe Ayerbe Muñoz	20/20	100%
Ana Fernanda Maiguashca	15/16	94%

³ Mrs. Ana María Ibáñez Londoño submitted her resignation to the Board of Directors on May 16, 2023.

Guest attendance



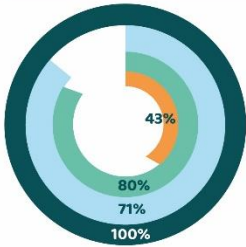
Member	Attendance	Percentage
Bernard Petit ⁴	19/20	95%
Christophe José Hidalgo ⁵	15/20	75%

⁴ Mr. Bernard Petit serves as a permanent guest on the Audit and Risk Committee.

⁵ Mr. Christophe José Hidalgo serves as a permanent guest on the Audit and Risk Committee.

Financial Committee

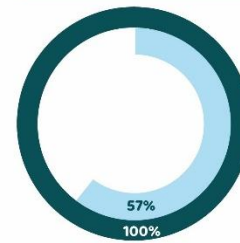
Member attendance



Member	Attendance	Percentage
Christophe José Hidalgo (Chairman)	5/7	71%
Luis Fernando Alarcón ⁴	2/2	100%
Felipe Ayerbe Muñoz	7/7	100%
Ana Fernanda Maiguashca ⁷	4/5	80%
Rafael Russowsky	3/7	43%
Guillaume Michaloux	7/7	100%

Sustainability Committee

Member attendance



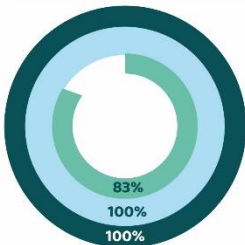
Member	Attendance	Percentage
Philippe Alarcón (Chairman)	7/7	100%
Ana María Ibáñez Londoño ⁹	3/3	100%
Felipe Ayerbe Muñoz	7/7	100%
Luis Fernando Alarcón ¹⁰	5/5	100%
Rafael Russowsky	4/7	57%

⁴ Mr. Luis Fernando Alarcón was a member of the respective committee until March 23, 2023.
⁷ Mrs. Ana Fernanda Maiguashca was appointed a member of the respective Committee on March 23, 2023.

⁹ Mrs. Ana María Ibáñez was a member of the respective committee until May 30, 2023.
¹⁰ Mr. Luis Fernando Alarcón was appointed a member of the respective committee on March 23, 2023.

Appointments, Remuneration and Corporate Governance Committee

Member attendance

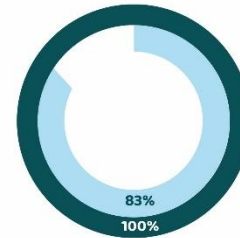


Member	Attendance	Percentage
Felipe Ayerbe Muñoz (Chairman)	10/10	100%
Luis Fernando Alarcón Mantilla	10/10	100%
Ana María Ibáñez Londoño ⁸	5/6	83%
Philippe Alarcón	10/10	100%

⁸ Mrs. Ana María Ibáñez was a member of the respective committee until May 30, 2023.

Business and Investment Committee

Member attendance

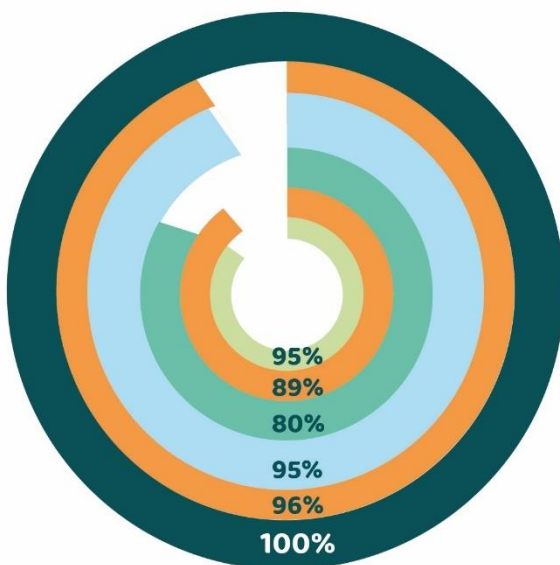


Member	Attendance	Percentage
Christophe José Hidalgo (Chairman)	8/8	100%
Luis Fernando Alarcón Mantilla	8/8	100%
Philippe Alarcón	5/6	83%
Bernard Petit	8/8	100%
Guillaume Michaloux	8/8	100%
Ana María Ibáñez ¹¹	0/1	0%

¹¹ Mrs. Ana María Ibáñez was a member of the respective committee until May 30, 2023.

Quorum for Board and Committee Meetings

In 2023, the quorum of the Board of Directors was 95%. To know more details about it, click [here](#).



Committees	Percentage
Audit and Risk Committee	95%
Financial Committee	80%
Appointments, Remuneration and Corporate Governance Committee	96%
Sustainability Committee	89%
Business and Investment Committee	95%

For more details, click here.

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

Luis Fernando Alarcón Mantilla is the Chairman of the Company's Board of Directors. He was elected as Chairman on June 11, 2015. 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 for this position in Article 33 of the Company bylaws, which can be found [here](#). The Chairman is treated differently than the other members in terms of obligations and remuneration due to the scope of his functions and his time commitment.

The Chairman of the Board of Directors is an independent member, who does not work for the Company's management team.



Board of Directors Secretary

Since December 9, 2019, Claudia Campillo Velásquez has served as Secretary of the Board of Directors and the General Shareholders' Meeting, as well as 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. Along with reviewing and approving the Statutory Auditor proposed scope of services and costs, the Committee also considers the statutory Auditor's needs to fulfill their obligations.

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 financial information.

The Board of Directors and the Audit and Risks Committee also participate in the follow-up of the issues resulting from the SOX control model, by monitoring the plan defined for the period and the results of the execution of controls and promotion, in the Senior Management, timely attention to the identified gaps, so that accounting, financial and business information is assured, while strengthening the internal control system and its protection of value in the strategy and results of the organization.

Management of Board of Directors Information

During 2023, the Company complied with the term provided in the 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 ensured it serves as support to draft the minutes for the respective meetings.

During 2023, the Company continued using the application where all supporting material is made available to all Board Members and their respective supporting committees prior to each meeting. The application ensures secure custody of information and traceability of updates. It also provides tools for interaction with its content.

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 2023, the Committee's activities focused primarily on the following:

Analyzed the individual and consolidated interim and year-end financial statements before submitting and disclosing information to the market.

Followed-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 2022.

Monitored compliance with the Sarbanes Oxley (SOX) Law in Colombia, Uruguay, and Argentina.

Reviewed and approved the scope, resources, and annual plan of the Internal and Statutory Audits. The Committee was in charge of following up based on performance, independence, indicators, and the outcomes of the evaluated and advised processes. In addition, it considered the level of implementation of the main action plans agreed with the administration to improve the Group's Internal Control System. Along with risks and the outcomes of the audits and consultations, the follow-up contained the most pertinent suggestions.

Had knowledge of the internal audit strategy for the period 2023 – 2025, 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.

Considered the annual plan, scope, resources, results, audit strategy, responsibilities and communications required, as well as independence in the provision of the Internal Auditor service by KPMG. In addition, reviewed the opinion issued on the individual and consolidated financial statements for 2022.

Reviewed and approved the scope of services and fees to be provided by the Internal Auditing firm KPMG, current auditors, and Ernst & Young Audit S.A.S., previous auditors, for the Company and its subsidiaries.

Was aware of the action plans established by the administration in accordance with PCAOB standards and the control deficiencies found by the KPMG Internal Auditing.

It had comprehensive risk management monitoring, including analyzing and updating Grupo Éxito's strategic risk profile for 2023 – 2024 and management strategies, as well as the temporality

of risks and the level of influence and dependence that some risks have on others. For this period, 13 risks were identified (five extreme, five high, and three medium), of which one is new for this period the "use of Artificial Intelligence." The Committee provided recommendations and guidelines to continue evolving with the level of maturity of the Company's Integrated Risk Management System.

Followed-up on managing events that may indicate irregular activities against processes, people, or the Company's facilities.

Monitored the efficiency and proper functioning of regulatory compliance, including the Transparency and Ethics 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; this last program 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 Internal Reports of Unusual Operations, and the External Reports to the Financial Information and Analysis Unit (UIAF, for its acronym in Spanish)

Reviewed and approved the ML/FT/PWMD Risk Matrix update.

Had knowledge of information about the Company's relationship with inspection, surveillance, and control authorities.



Had knowledge and approval of transactions between related parties submitted by management, including analysis of materiality, value generation, protection of the interests of the parties, equal treatment between shareholders, and market conditions validated by independent third parties, ensuring compliance with the defined policy and procedures; as well as on the release of the Annual Report of Transactions Between Related Parties. In addition, the transaction procedure between related parties was reviewed and approved, prior to approval by the Board of Directors, in compliance with regulations and good governance practices.

Reviewed the conflicts of interest of the Board of Directors and Senior Management according to the rules established in the Corporate Governance Code, aligned with global good practices.

Reviewed and approved the modification of the rules of procedure of the Audit and Risk Committee, prior to approval by the Board of Directors, in compliance with Standard 10A-3 of the Securities Exchange Commission (SEC).

Reviewed and approved the Annual Report 2022 (Corporate Governance Report and Management Report of the CEO and the Board of Directors), prior to approval by the Board of Directors.

Trained with external specialists in topics related to strategic risk and responsibilities of the Audit and Risk Committee of the Board of Directors in listed companies.

In addition, the Committee, within the framework of its functions and powers, supported the administration and the Board of Directors in the supervision of the financial information disclosed to the market within the implementation process of the Interest Project for Éxito, GPA and Casino, in which the Company expanded its shareholder base, with securities listed in Colombia, the United States and Brazil, and whose purpose is to generate value for the Company and all shareholders through access to capital markets.

In accordance with the Company's Corporate Governance Code, the Committee issued a favorable concept, considered by the Board of Directors, in relation to the presentation of the financial statements by predecessor Internal Auditor Firm Ernst & Young Audit S.A.S., corresponding to the years ending on December 31, 2021 and 2020, with the adjustments in format required in the disclosures of notes, as well as the presentation of the financial statements by the current Internal Auditor KPMG, for the annual year ended on December 31, 2022 and the quarter ended on March 31, 2023. All of them, prepared in accordance with the guidelines of the International Accounting Standards Board (IASB) audited under the rules of Public Company Accounting Oversight Board – PCAOB, to meet the implementation requirements of the American Depositary Receipts Level II – ADRS II program at the New York Stock Exchange – NYSE before the Securities and Exchange Commission – SEC.

The Committee also reviewed and approved the financial statements ending June 30, 2023 of Almacenes Éxito S.A., to be disclosed in a note within the financial statements of the Companhia Brasileira de Distribuição – CBD published on July 26, 2023; the foregoing in accordance with IFRS 5 – Assets held for sale and discontinued operations.

It is noteworthy that the Audit and Risks Committee of the Board of Directors carried out the scheduled regular sessions, complying with the established agendas.

During 2023, these main issues and the other analyzed during the sessions of the Committee were presented by the Chairman of the Committee for the attention of the Board of Directors, to ensure the cohesion of the governing bodies and the relevant approval bodies.

Appointments, Remuneration and Corporate Governance Committee

The Committee monitored the policies and main indicators related to the Company's human resources strategy, including:

In **corporate governance**, presented to the Board of Directors its assessment and concept of the proposed reforms to corporate governance provisions, to provide continuity to the permanent improvement of the standards in this matter and contribute to the construction of value relations between the Company and its stakeholders.

In this regard, the company has maintained its corporate governance standards at a percentile of 97 points in the CSA Sustainability Index, placing sixth among the world's top-performing food *retail* corporations, thanks to the best practices in these areas that the Committee has advocated for.

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.
- Within the framework of its powers and functions, and in accordance with the provisions of the Regulations of the Board of Directors and in compliance with good practices in corporate governance promoted by the Superintendency of Finance, an internal process for evaluating the performance of the Board of Directors and its Support Committees was carried out, which included (i) a self-assessment, (ii) a peer review, (iii) an evaluation of the functioning of the Board of Directors and support committees, and (iv) an assessment of knowledge of internal regulation and recommendations thereof. The results of such an evaluation will be presented later in the chapter designated for this purpose in the Corporate Governance Report.

In the area of **remuneration**, the Committee, submitted to the Board of Directors during 2023: (i) the salary increases for 2023 applicable to base staff, which was the result of the negotiation that the Company advanced with the trade union organizations; (ii) the proposed salary increases for the rest of the staff; and (iii) the negotiating committees of the salary increase with the trade union



organizations. It also followed up on short-and long-term variable compensation frameworks and approved plans for restructuring and adjustment to expenditure and staff costs. In relation to the compensation of senior management, approved its annual salary increase and the investment of resources corresponding to the year 2023 of the long-term variable compensation scheme.

In terms of **appointments**, the Committee, after carrying out a rigorous evaluation process and issuing a favorable concept, recommended to the Board of Directors approval of the appointments of the Vice-President *Retail* and the Vice-President of Omnichannel and Innovation.

In the area of **human resources**, the Committee monitored talent and leadership planning models, the gender equality and equity management system, achievements and challenges in diversity and inclusion, climate assessments and commitment and leadership, the omnichannel *retail* operation model, the state of our people and the issues that were the subject of labor reform promoted by the National Government during 2023. In this sense, in December 2023, the Company obtained the recognition of "Friendly Biz" seal, that promotes respect and non-discrimination in business environments.

Financial Committee



During 2023, the Financial Committee closely monitored the Company's cash levels 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 interest rate of the Banco de la República (Colombia's Central Bank). Even by participating in discussions with experts on strategic macroeconomic risks.

Likewise, the Financial Committee oversaw 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


According to its purpose, the Business and Investment Committee 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 in 2023 to ensure the solid and profitable growth of the organization's various businesses and investments.


Similarly, the Committee addressed different requirements of the Group's brands and their complementary businesses on the following areas:


- 


Followed-up to the investment and performance plan, as well as the strategies and value proposals of the Éxito and Carulla brands.
- 


Reviewed 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 S.A.S., and Viajes Éxito (travel via Éxito Viajes y Turismo S.A.S. subsidiary), and the Company's loyalty program Puntos Colombia.
- 


Post-Investment evaluations for 52 projects ran by Éxito, Carulla, Surtimax, Super Inter and Surtimayorista brands that have been operating for the past one to three years, and their results compared to the initial financial model.
- 

Followed-up to the execution of the 2023 Capex and its estimated figure for the end of the year. A similar analysis was done on the forecast for 2024, which will support project development and business expansion.
- 

Reviewed the renewal and extension of the leases of the Distribution Centers: Avenida 68, Vegas, Caribe, and Carulla Pepe Sierra, that received positive recommendation by the Board of Directors to move forward with their modification.
- 

Reviewed and followed-up of the Puerta del Norte shopping mall expansion project, including the estimated timeline; participation schemes; project roles and profitability.
- 

The goal of the CEDI Cali project was to streamline the city's logistical operations. Reviews and analysis were performed on the existing situation and the next measures needed to keep the project going.
- 

Reviewed the Kiire brand that seeks to create an acquiring and merchant processing business focused on electronic transactions through a joint venture with Redeban.
- 

Analyzed the financial and organizational structure, construction, and management of the real estate project Azul de Arenas, where the new Viva Cartagena has been proposed to be located. Furthermore, it has been disclosed that the Company has decided not to move forward with this project's investment.

Sustainability Committee [GRI 2-14]



In 2023, the Sustainability Committee reviewed and analyzed strategic issues relevant to the Company's different stakeholders and the progress in the Company's sustainability strategy, materializing the superior purpose of Nourishing Colombia with Opportunities. The most relevant actions are those related to biodiversity protection, climate change strategy and circular economy, sustainable supplier development and their georeferencing, advances in the strategy of the Fundación Éxito, the development of the strategy and the relationship strategy with the communities surrounding our facilities.

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



Setting priorities for climate plan-related matters that aim to manage the Company's environmental Mega commitments and to align those with international standards that aim to support the strategy. Within this pillar, the Committee was informed about and supported:

- Implementation of short, medium, and long-term actions to reduce Scope 1 and 2 emissions of the carbon footprint to ensure compliance with the environmental Mega declared for 2025.
- Measurement of new categories of Scope 3 carbon footprint and benchmark those with other companies to strengthen results on this scope.
- Implementation of quarterly indicators strategy to the Company's carbon footprint with the teams involved.
- Follow-up and update of the Corporate Environmental Mega, whose goal is to reduce 55% of the carbon footprint by 2025.
- Recertification for the Carulla FreshMarket and Viva Shopping Malls brands in carbon neutrality by the Colombian Institute of Technical Standards and Certification (ICONTEC, for its acronym in Spanish).



Follow-up to the "DivulgaAccion" initiative (transformation program to accelerate the disclosure of climate-related financial information) by the Colombian Climate Asset Disclosure Initiative (CCADI), team that supported the Company in the implementation of the recommendations of the Task Force on Climate-Related Financial Disclosures (TCFD) and that seeks to generate, in the medium and long term, transformations in the Company and a business model resilient to climate change, aligning with global measurement methodologies ahead of regulations.



Bolstering the business's circular economy strategy, giving priority to actions aimed at reducing the use of single-use plastic in accordance with national regulations, and encouraging recycling beyond what was produced by the business through the SoyRE post-consumption program, an initiative that aims to make recycling a regular part of customers' lives.








Enhancements to the Sustainable Livestock Model and biodiversity conservation throughout the supply chain were identified and put into practice, which improved communication with various stakeholders. In this regard:

- The Committee reported on the status of sustainable livestock monitoring.
- It also was informed about the progress made in the development of the first business technical standard for the Sustainable Livestock Model in collaboration with ICONTEC and respective audits.
- Furthermore, an update on the Alliance for Accelerated Climate Transitions UKPact project's implementation in the south and north of the country's prioritized territories was provided, along with a description of the tools that emerged from this fieldwork and will help to improve biodiversity protection and thus support the project's second phase.



The project for georeferencing direct suppliers for the Company's prioritized commodities and its connection to the local and direct purchase program, which enables the analysis of risks in the region through map crossings and knowledge of pertinent supplier features, was also informed and supported.

In addition, the Committee managed the social strategies as follows:

-  Followed-up on the Company's initiatives to promote healthy living and wellbeing at work, particularly those that were implemented in collaboration with the Consumer Goods Forum, that aims to support business practices that positively impact the environment and the planet.
-  Assessed the implementation of the Diversity, Inclusion, and Gender Equity Model with a focus on strengthening it, better internalizing within the Organization, and socializing its achievements with various external stakeholders.
-  Reviewed, with the recommendations from an external expert, the Company's exposure to strategic social risk, the nation's sociopolitical context, and potential social risks.
-  Discussed the application of the community model through initiatives pertaining to good neighbor tactics and community relations—among which “Pigmentos Urbanos” (urban pigments) and “Terrazas Verdes” (green terraces) are particularly noteworthy.
-  Observed and discussed the Fundación Éxito's strategy.

Regarding strategies for sustainability governance, the Committee implemented the following:

-  Approved and monitored the sustainability strategy indicators during all Committee sessions, particularly on or about:
 - Corporate Social Mega.
 - Corporate Environmental Mega.
 - Local and without intermediaries procurement.
 - Indicators of diversity and inclusion within the Company.
 - Indicators related to the strategy of “Vida Sana” (healthy living).
-  Reviewed and approved variable remuneration metrics related to the sustainability strategy.
-  Updated the Sustainability Policy and its associated standards [GRI 2-22] on or about:
 - Biodiversity Policy.
 - Packaging and Container Policy.
 - Human Rights Policy.
 - Diversity and Inclusion Policy.
 - Occupational Health and Safety Policy.
-  Defined the risks associated with the sustainability strategy for the Company 2023-2024.



Informed about the 73/100 rating obtained by the Company in the Corporate Sustainability Assessment, one of the most relevant market sustainability indices. This result highlighted the Company's ongoing development and places it among the top *retailers* worldwide.

Board of Directors 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, an external evaluation of the performance of the Board of Directors and its committees was performed during 2022. The evaluation methodology included: (i) a self-assessment, (ii) a peer review, (iii) the overall performance of the respective governing body and the support committees, and (iv) an assessment of the knowledge of internal regulation and recommendations on the topic.

The results showed that the directors valued and emphasized the freedom of expression as well as the completion of agendas whose issues are framed in the Group's strategy. They also highlighted the dynamics and structure of the meetings of the Board of Directors and its support committees, considering them adequate and allowing productive, meaningful, and effective meetings.

Regarding the committees, they emphasized the seriousness and significance of the conversations held there, which feed into the ensuing thoughtful and tactical conversations at the Board of Directors level. Directors also agreed that they are aware of the Board of Directors' and its support committees' operating guidelines and that they are kept up to date on any changes or updates that result from management's observation of market trends.

Additionally, it was noted that there are opportunities to condense some of the issues that are discussed at meetings, considering the directors' individual analysis of the administration's pre-meeting materials and some of the committees' earlier discussions. In this way, meetings run the risk of becoming even more deliberative than informative. Furthermore, the directors recommended that the Board and its support committees incorporate in their meeting dynamics face-to-face interactions in addition to remote ones, since this fosters stronger integration and more engaged involvement from all.

Directors recommended that the following topics be discussed at future Board of Directors and its supporting committees' meetings: information technology ("IT"), *retail* trends, environmental, social, and corporate governance issues ("ESG"), risks in general, with a focus on political, macroeconomic, and national risks; new trends in the application of artificial intelligence in the Group's businesses; the competitive landscape at the national and international level and the Group's strategies against such risks; and the behavior of the Company's values in all three markets (Colombia, Brazil, and the United States), among others. The directors further suggested that the relevant committees conduct periodic analyses of matters such as the profitability of the Company's operations and investments, its obligations as an issuer in the US and Brazilian securities

markets, its level of compliance, the mitigation of country and financial business risks, and the optimization of cash flow in the face of slow growth and high interest rates.

The directors also emphasized the importance of attending expert meetings on interesting and strategic topics. These meetings result in valuable contributions to management's training and updating efforts, as well as proper Company direction, corporate strategy-aligned decision-making, and competitive advantage management among the various Group businesses.

The relevant performance review was conducted for Senior Management, adhering to the guidelines outlined in the Policy of Remuneration and Evaluation for Senior Management, which is available for review by clicking [here](#). Primarily, the quantitative criteria were represented in the outcomes of the individual objectives of each executive as well as the objectives of the team and the organization, and the qualitative criteria pertaining to organizational and leadership qualities were considered.



Transactions with Related Parties

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

In accordance with Article 36.4 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 of Directors approved the Transactions Between Related Parties Policy in January 2016, the seventh chapter of the Corporate Governance Code, and regulated the identification, classification, evaluation, approval, revelation, and follow-up of such transactions. This policy can be reviewed by clicking [here](#).

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

- Satisfy the interest of the Organization and produces no harm.

- Offer better service, better prices, or better conditions to company customers.
- Generate value for the Organization.
- Not undermine or put at risk Grupo Éxito's capacity to fulfill its obligations to third parties.
- Respect the rights of minority shareholders.
- Provide transparency.
- 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.


The aforementioned Policy and Procedure were modified in September primarily to: (i) comply to the New York Stock Exchange's disclosure requirements, which include disclosing transactions involving the Company and a party in which it holds a stake of at least ten percent (10%) but not more than twenty percent (20%); and (ii) alter the process for approving transactions between Related Parties in order to establish that any transaction involving the controlling shareholder or shareholders, irrespective of their classification, must be submitted for approval by the appropriate body.

During the year 2023, the Policy and the Transaction Procedure Between Related Parties were fully implemented.


Detail of the Most Relevant Transactions Conducted Between Related Parties as Determined by the Company


The most relevant transactions between related parties in 2023 were the following:

- 

With the companies of Casino Guichard Perrachon S.A., there were transactions that generated: (i) revenue, mainly, from the provision of services and from the collection of achievement of suppliers by COP3,682 million; and (ii) costs and expenses that correspond mainly to services received, for energy efficiency, intermediation in the import and export of goods and consulting services, by COP 7,886 million.
- 

The primary transactions related to the national subsidiaries reflect revenue originating from: (i) The provision of administrative services to Éxito Industrias S.A.S., to Almacenes Éxito Inversiones S.A.S., to Transactions Energética S.A.S. E.S.P., to Logística, Transporte y Servicios Asociados S.A.S., and to Patrimonios Autónomos; and (ii) from the leases of real estate to the Patrimonios Autónomos and to Éxito Viajes y Turismo S.A.S. The income from these transactions amounted to COP52,198 million.

- 

Costs and expenses generated with domestic subsidiaries amounting to COP380,506 million, are mainly due to: (i) the purchase of merchandise and goods to be marketed by Éxito Industrias S.A.S.; (ii) transportation services received from Logística y Transporte y Servicios Asociados S.A.S.; (iii) leasing and management of a real estate with Patrimonios Autónomos (trust funds); (iv) the purchase of corporate plans from Almacenes Éxito Inversiones S.A.S.; and (v) services received, the purchase of goods and reimbursements from other subsidiaries.
- 


With regards to joint businesses, the Company obtained revenues of COP66,450 million 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 S.A., (iii) real estate leases to Compañía de Financiamiento Tuya S.A., (iv) recovery of commercial activities, and (v) the provision of services to Compañía de Financiamiento Tuya S.A. and Puntos Colombia S.A.S. The costs and expenses generated with joint businesses of COP115,995 million were due mainly to the customer loyalty program of Puntos Colombia S.A.S. and to the commissions of means of the payment generated with the Compañía de Financiamiento Tuya S.A.


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 COP2,837 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.


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

Detail of the Judicial Processes that have the Capacity to Materially Affect the Operation, Financial Situation and / or Changes to the Financial Situation.

Litigation and court cases that might have a significant impact on the Company's operations, financial status, and/or financial condition in 2023 included the following cases (amounts in millions of pesos):

- 

Judicial proceedings with the Dirección de Impuestos y Aduanas Nacionales (DIAN, Colombia's Tax Revenue Service) seeking the declaration of nullity of the official review liquidation, pursuant to the notification of Special requirement 112382018000126 of September 17, 2018, by which it was proposed to modify the income tax return of 2015, for COP40,780 (December 31, 2022 - COP37.066).
- 

Judicial proceeding with DIAN that seeks the declaration of nullity of the sanction resolution of September 2020, by which the refund of the balance in favor settled in the income tax of the taxable period 2015 was ordered, for COP2,211 (December 31, 2022 - COP2,211).
- 

A judicial proceeding seeking a declaration of nullity of resolutions by which the Bogotá District Tax Directorate 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 COP11,830 (December 31, 2021 – COP11,830).



Judicial proceeding 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 COP 2,130 (December 31, 2022 - COP2,535).

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.



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 of Director'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 one through three, 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 2023, 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 in conformity with the policy, which will be discussed later in the Compliance chapter.

Lastly, the Board of Directors issued updated reports about potential conflicts of interest and circumstances that have ended during the previously indicated period in accordance with the guidelines set forth in the Conflict of Interest Policy.

Conflicts of Interest that Arose, the Action of Board Members, and Resolution Mechanisms Between Related Companies and their Application During Fiscal Year [GRI 2-15]

The Company has adequate mechanisms in place oriented toward fulfilling our policies of Good Governance and Transparency. These include those pertinent and suitable to report, analyze and manage situations of potential conflicts of interest reported by members of the Board of Directors and the Senior Management Team.

The following are the main activities that demonstrate the handling of these mechanisms and their implementation during 2023

a. Quarterly reports of conflicts of interest, delivered by the Board of Directors and Senior Management employees: 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 analyses of the reported situations were 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 one and two 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 relating 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 front of each of the reports received, the respective analyses were carried out and the recommendations were issued by the respective Conflict of Interest Committee, aimed at the resolution and handling of the

situations reported, to safeguard the objectivity and impartiality in the actions of the reporter, and protect the confidentiality of confidential and privileged information of the Company.

None of the situations under analysis affected the operations, nor did they have 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, during 2023, only one member of the Board of Directors reported a new situation with potential conflict of interest and another situation that had been previously reported, resulted in cessation. 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 2023, 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 their 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 surroundings and organizational needs. The Board of Directors was aware of and approved the adjustments in the organizational structure reviewed by Senior Management, considering staff turnover, internal promotion and the execution of succession and career plans.
- 

As part of the corporate self-management program, during 2023, analyses that had started the previous year were continued, strengthening the identification of mechanisms for measuring processes from

the integral management, modeling early alerts and control panels that facilitate the monitoring of operations, at all levels (strategic, business, project and processes) and enabling a unified view of internal control and a quick and effective response to the needs of the corporate environment.



The Company continued to move forward in the ongoing adoption of best practices and best standards for the prevention of the risks of fraud, bribery, corruption, money laundering and terrorist financing, complying with local standards and international regulatory requirements that apply indirectly by its parent Company.



Compliance programs for managing risks related to fraud, corruption, bribery, money laundering, financing of terrorism, privacy, and the protection of personal data were tailored to the circumstances of economic recovery. These programs have allowed the Company to make use of organizational strategies while adhering to both domestic and international legal requirements. All this, along with compliance with good practices, has enabled the generation of value in making informed decisions.



The Board of Directors' Audit and Risk Committee was trained in subjects pertaining to strategic risks and responsibilities in listed businesses with the assistance of external experts.

Risk Management

The Integral Risk Management System of Almacenes Éxito is overseen by the Department of Integral Risk Management, a division within the Vice-Presidency of Corporate Affairs. This department is tasked with designing and implementing the risk methodologies and models at various organizational levels, while also fostering a risk management culture with a particular focus on its contribution to achieving strategic objectives.

Description of the Risk Policy and its Implementation During the Financial Year 2023

Risk management at Grupo Éxito contributes to the sustainability of the Company over time, ensuring continuity and enhancing organizational resilience. It enables the reinforcement of the capacity to anticipate, prepare for, respond to, and recover from any given event, ensuring compliance with its strategic pillars, through a systematic and approved process of risk and opportunity management.

The Integral Risk Management Policy establishes the purpose, principles, scope, and general framework of action for the comprehensive management of risks. It also defines the governance framework at different levels of risk management: strategic, business, projects, and processes.

The risk management methodology is an integral part of the policy and has as its main reference the ISO 31000 and COSO ERM standards. The detailed methodology is outlined in the Risk Management Handbook, which encompasses seven main stages: Setting context, risk identification, analysis, assessment, treatment, communication and consultation, and monitoring and review. The goal is to find management strategies that

maximize opportunities while minimizing risks and their negative impacts on the economy and reputation by applying this methodology.

In 2023, the Company's Risk Management System underwent development in maturity levels, considering recommendations from the Board of Directors' Audit and Risk Committee during the handbook's update that specifically addressed:

- ✔ Improving the level of exposure of the strategic risk profile, internal analyses, and context monitoring.
- ✔ Strengthening the risk rating system and introducing two additional components for measurement:
 - a) Temporality, which refers to the pace of the risk and the time available for the Company to manage it before it materializes.
 - b) Influence – dependence, describing the behavior of the risk ecosystem based on the level of influence and dependence they have on each other.
- ✔ The methodology's definition divides strategic risk management measures based on their execution and success in reducing likelihood and adverse effects. This segmentation helps management prioritize its efforts

Implementation of the Risk Policy during 2023 [GRI 2-12]

As stated in the World Economic Forum's 2023 Global Risks Report, the world is currently experiencing a "polycrisis" because of the concurrent dynamism of the political, economic, social, technological, and environmental contexts. Emerging risks are interconnected, converging, and require collaborative and all-encompassing management.

Considering the numerous opportunities and challenges Grupo Éxito is exposed in the global and national context, the Company focused on long-term sustainability in 2023, managing the risks that could impact the fulfillment of its corporate strategy and leveraging new opportunities for its resilient culture.



Throughout 2023, an analysis of the primary risks and opportunities was conducted in accordance with the **Comprehensive Risk Management Policy, involving the participation and leadership of Senior Management, to ensure the continuity and sustainability of the business. This analysis was done at a global and sectoral level,** considering the impact of industry dynamics on the Company's operations and strategic vision, as well as the political, economic, social, technological, environmental, and legal contexts. A new strategic risk profile was derived from this analysis and subsequently extended to the Company's various businesses through the updating of its risk management matrix initiatives. The strategic level risks and their mitigation measures were reviewed periodically by the Audit and Risk Committee, with subsequent validation performed by the Board of

Directors. Experts in politics, macroeconomics, human rights, and cybersecurity monitored risks identified as being of extreme severity in 2023. These experts took part in the various Support Committees of the Board of Directors and conducted a thorough analysis of the current local and global contexts, the outlook for the short and medium terms, and important suggestions for enhancing risk management.

[GRI 2-17] Concerning the identified strategic risks, **particularly on strategic cybersecurity risk, a training session conducted by a certified external expert was provided to members of the Audit and Risk Committee of the Board of Directors**; in this training, a detailed perspective of the perception and landscape of cyber risk worldwide, the most critical cases of cyber-attacks, 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 2023, various strategic planning sessions with Senior Management were held under the leadership of the Strategy and Innovation Management Department. An activity was developed at one of these sessions based on the question: 'What lies ahead for us?' **with the objective of determining the possibilities and dangers related to trends and new elements of the consumer from a human perspective; and that may have an effect on the Company's five (5) strategic pillars in a favorable or negative way.**

The Company's Sustainability Committee participated in a correlation analysis between corporate risks and global risks, with an emphasis on ESG concerns (Environmental, Social, and Governance), as reported by the World Economic Forum. **This analysis allowed to identify key elements that can positively or negatively impact materiality and sustainability strategy** to determine the main treatment measures in risk mitigation and maximization of opportunities.

Similarly, a collaborative effort was undertaken by the Company's Risk and Sustainability Department and a group of experts from CCADI (Colombian Climate Asset Disclosure Initiative) using the TCFD methodology (Task Force on Climate-Related Financial Disclosures). **The aim of this effort was to improve governance, strategy, and risk management concerning climate change adaptation and mitigation, which over time could result in substantial transformations within Grupo Éxito.**

Grupo Éxito's Comprehensive Risk Management System underwent a maturation process in 2023 that included **strengthening the process of quantifying strategic risks and building political and legal risk modeling. The goal to assess the impact of external factors, both political and economic, on the internal environment of the business and determine the maximum expected loss in monetary terms.**

Furthermore, in 2023, the Company inspected eight (8) stores and eight (8) shopping centers under the VIVA brand, following the advice of an Allianz specialized team. The purpose of the inspection was to assess the current physical risk of the facilities, considering factors such as construction, occupation, exposure, and protection. Each inspection concluded with favorable findings about their physical condition.

In order to identify the most effective risk management strategy, a tool was developed in 2023 to assess the degree of risk and anticipated benefits on each of the leased and/or shared-ownership premises, where the Company develops its commercial and logistical activities. This tool reached the pilot phase and will likely be implemented within the company in 2024.

In 2023, Grupo Éxito's **Business Continuity Management (BCM)** continued to increase company governance, structure, and responsiveness to adverse events which might affect stakeholders' security and integrity, information security, profitability, operational ability, and/or Company reputation. In this regard, Almacenes Éxito and Industria de Alimentos were included in the development of the quality and safety crisis management protocol; additionally, the cybersecurity crisis management protocol and its essential annexes were updated.

Additionally, throughout the year, Senior Management, **business operations, and personnel from the food industry received training on organizational crisis management supported by international experts.** This training session was based on a hypothetical simulation of a catastrophic scenario that would affect the quality and safety of products and/or food, an issue that has also been identified as one of Grupo Éxito's major strategic risks.

In terms of the **Business Continuity Plan (BCP)**, an initiative was launched in the first half of 2023 to identify and update important procedures that, if Grupo Éxito's operations were interrupted, need to be recovered as a priority. More than 80 leaders from Almacenes Éxito and other affiliated companies participated in this activity. Furthermore, **the Strategic Business Impact Analysis (BIA) was updated** to align with Senior Management's vision. In order to create the tactical and operational BIA and update the contingency strategies for every crucial business process, a prioritization structure was established. On the other hand, as one of the requirements to keep certification as an Authorized Economic Operator (AEO), an improvement project is being conducted to the current continuity plan, applicable to the international supply chain.

The Company carried out 204 nationwide social audits in 2023 of our private label suppliers of food, non-food, and home products, assessing the risks related to the following areas:

- Hiring child labor.
- Forced labor.
- Diversity and inclusión.
- Disciplinary practices.
- Harassment and abuse.
- Freedom of association and complaint mechanisms.
- Working hours and overtime.
- Health and safety at work.
- Quality and safety.
- Environment.

A total of 92.15% of the audited suppliers achieved satisfactory results. Action plans were created for the remaining suppliers to quickly close the gaps discovered during the audits.

In total, **the Company audited 56 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. One hundred percent of these suppliers approved the audits.

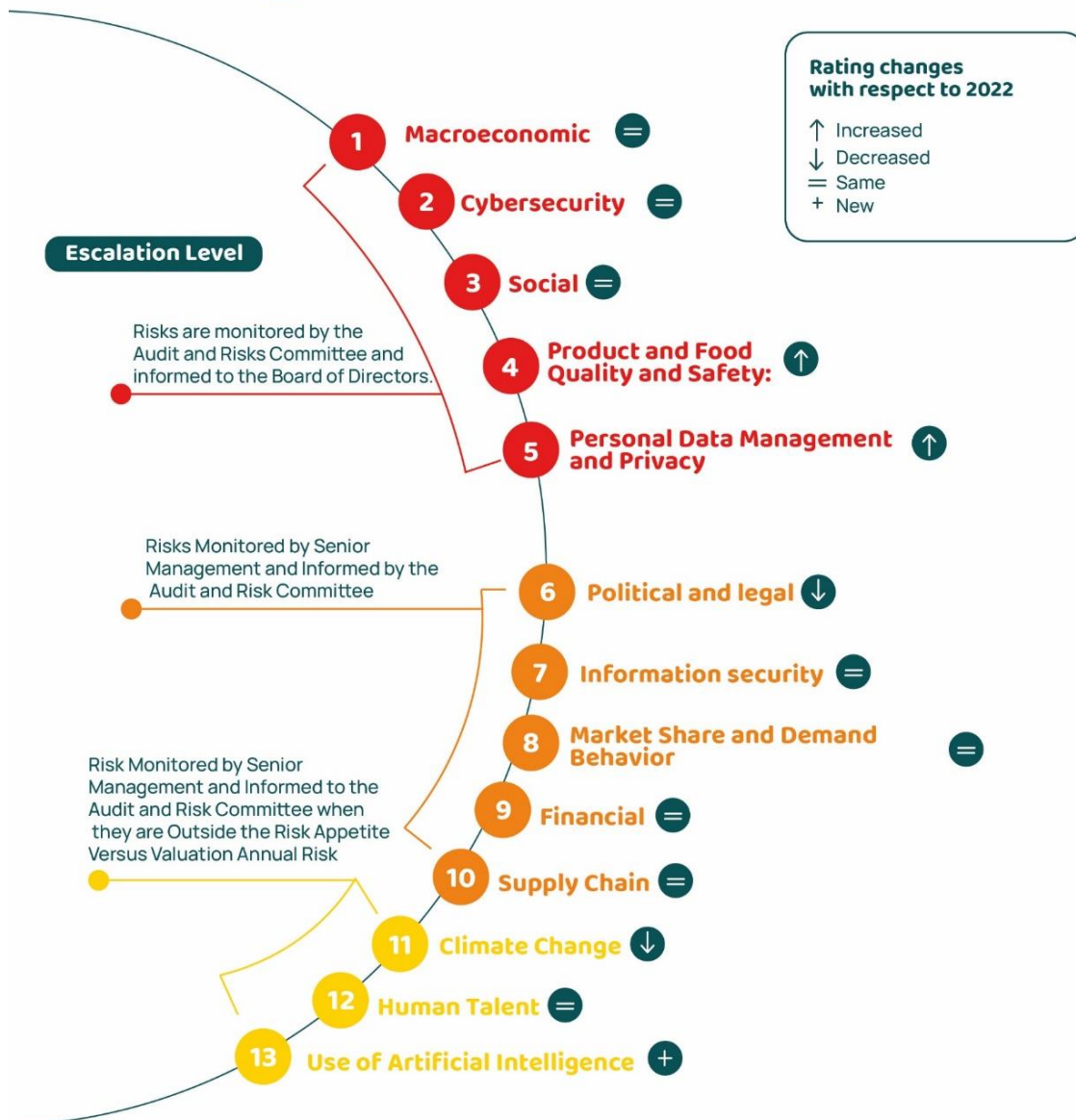
A systematic follow-up in specialized areas was conducted to advance risk workshops in the context of various projects and activities inside the Company, assessing a total of 50 risks. Additionally, 45 key stakeholders of the Company received training in risk management and business continuity management throughout the year.

The Chief Operating Officer *Retail* at Grupo Éxito was invited to a panel among other top executives from leading firms in Colombia during the II Meeting of Trends in Risk Management, that was organized in October 2023 by the EAFIT University and ISA Intercolombia. They exchanged insightful thoughts on the value, advantages, and difficulties of thorough risk management in businesses as well as important insights on organizational resilience.

“Where there is a risk, there is always an opportunity. The great invitation is to substitute fear with realism and look at opportunity with optimism.”

José Gabriel Loaiza Herrera, Chief Operating Officer *Retail* Colombia (2023).

Strategic Risks



Strategic Risks

Macroeconomic

Description

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.

Opportunities

- Guarantee the Company's long-term financial sustainability and market consolidation.
- Create market competitive advantages due to the Company's ability to avoid passing on the consequences of inflation to the final customer.
- Strengthen relationships with suppliers, allies, financial institutions.

Main Treatment Measures for Priority Strategic Risks

- Control of expenditure
- Strengthening private label and "Insuperables" (unbeatable prices) strategy
- Monitoring debt levels
- Working capital management for cash flow efficiency
- Coverage strategies

Cybersecurity

Description

Cyber vulnerability, with the potential to compromise key digital assets, which may affect the continuity of operations and/or digital information security.

Opportunities

- Promote a self-care-oriented workplace culture
- Develop digital companies in a safe manner

Main Treatment Measures for Priority Strategic Risks

- Access management for authentication and authorization
- 24x7 SOC (Security Operations Center) event monitoring
- Management of privileged users
- Review of cybersecurity measures of critical third parties
- DRP (Disaster Recovery Plan) established and tested

Social

Description

Social unrest and instability that could have an impact on trust in the Company's stakeholder relationships, operational environment, and corporate strategy development.

Opportunities

- Strengthen the perception of a "Buen Vecino" (Good neighbor)
- Understanding the customer as a contributing member of society
- Strengthen our relationships with our stakeholders

Main Treatment Measures for Priority Strategic Risks

- Strategic social reinvestment projects
- Community development program through actions such as employability and sustainable trade
- Reputational Positioning on Higher Purpose and Strategic Social Investment Actions
- Foster new partnerships between institutions for community development
- Child nutrition initiatives

Product and Food Quality and Safety

Description

Marketing and/or manufacture of unsafe food, which can have major consequences for community health and create customer distrust.

Opportunities

- Food safety increased awareness, culture, and commitment to product and food safety.

Main Treatment Measures for Priority Strategic Risks

- Standards of operational control over products, processes, practices, and equipment
- Quality and safety evaluation program for facilities, CEDIS, Industry and suppliers of raw materials, private labels, and services.
- Food microbiological analysis tests
- Comprehensive management plan of the Quality and Safety Management System (SISCA) in stores for control intervention.
- Protocol and simulation of quality and safety crisis management

Personal Data Management and Privacy

Description

Infringement of the right to privacy of the holders of the information, in line with the personal data protection law.

Opportunities

- Strengthen the program for protecting personal data and the risk monitoring systems.
- Create initiatives focused on data usage and monetization within the legal framework related to personal data protection.

Main Treatment Measures for Priority Strategic Risks

- Fostering corporate awareness
- Monitoring attention of requests of the right of habeas data of the holder of the information.
- Monitoring of regulatory changes
- Supporting the company's projects from design
- Implementation of policies, procedures, and guidelines for the protection of personal data.

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

Strategic Risks

Climate change

Description

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.

Opportunities

- Update our refrigeration equipments
- Conversion to renewable energy
- Generate added value to brands, trust, and reputation.

Risk Monitored by Senior Management and Informed to the Audit and Risk Committee when they are Outside the Risk Appetite Versus Valuation Annual Risk

Human Talent

Description

Challenges in implementing the Company's strategy, because of problems in the processes of human talent attraction, achievement, development, and loyalty, as a result of generational transitions and a strong labor offer in the market.

Opportunities

- Enhance skills in the face of new challenges
- Create multiple possibilities for individuals while also providing adequate living circumstances.
- Strengthen the employer brand's external reputation.

Use of Artificial Intelligence

Description

Potential for algorithmic biases to influence strategic decisions or the inability to quickly deploy artificial intelligence in a way that is consistent with corporate strategy, market dynamics, operations, and company values.

Opportunities

- Transform the business model
- Agile processes optimization
- Offer a frictionless customer experience

Strategic Risks

Political and legal

Description

Legal, regulatory, or legislative uncertainty, which may affect the operating environment, the commercial activity, or the development of the Group's strategy.

Opportunities

- Develop adaptable skills to innovate and transform the business.
- Increased consumption by the population that can be positively impacted by social investment.
- Strengthening of local purchasing and production chains with a social focus.

Information security

Description

Significant impact on the Company's vital digital and physical information's availability, integrity, and/or confidentiality as a result of outside factors and/or failure to comply with custody procedure regulations.

Opportunities

- Promote a self-care-oriented workplace culture.
- Strengthen compliance and create an environment of trust.
- Strengthen the internal control environment.

Market Share and Demand Behavior

Description

Loss of competitive advantages because 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.

Opportunities

- Position Colombia's leading hypermarket.
- Strengthening omnichannels
- Raising consumer awareness
- Development of local Industry

Financial

Description

Liquidity and/or working capital constraints that limit the timing of strategic investments or the execution of financial commitments.

Opportunities

- Improve use of assets, people traffic, pursuit of new business initiatives.
- Make effective use of capital to support resource expansion and increased profitability.
- Generate higher return over investments

Supply Chain

Description

Supply chain interruption impacting the needed supply of raw materials and/or available goods, resulting in shortages, delays, and loss of sales opportunity.

Opportunities

- Increase sourcing flexibility
- Create competitive advantages over management and risk-mitigation tactics.
- Strengthen response capacities for the resilient supply chain.
- Improve processes digitalization

Risks Monitored by Senior Management and Informed by the Audit and Risk Committee

Emerging Risks

Emerging Guidelines and Standards for Carbon Pricing

Potential rise in expenditure for carbon footprint management in reaction to new carbon pricing rules and regulations. Furthermore, the market has mandated new standards for disclosure and transparency on the Company's efforts in this regard.

Possible main impacts

- Increase in tax or investment spending required to minimize the carbon footprint.
- Possible reputational impact, in case of not achieving the adjustment to the new standards.

Main mitigation actions

- Development of initiatives to replace renewable energies
- Reduction of refrigerant gases
- Purchase of solar energy production for stores supply
- Climate Change Policy
- Communication and annual declaration of environmental responsibility
- LEED Certification of selected Viva shopping centers (Leadership in Energy & Environmental Design Certification)
- Implementation of energy plants and solar panels in several facilities

New Consumption and Purchasing Patterns or Changes in Consumer Preferences and Habits

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 Company.

Possible main impacts

- Market share loss
- Financial losses
- Negative impact on business reputation
- Loss of competitive advantages

Main mitigation actions

- Ongoing monitoring of purchasing and consumption trends worldwide
- Format innovation Business ecosystem development

Cybersecurity Management

In 2023, Grupo Éxito experienced no cybersecurity incidents resulting in the disclosure or loss of data, including personally identifiable information [FB-FR-230a.2]. To fortify our technology and information security strategy, the organization embraced ISO 27001, NIST, and PCI as reference international standards and best practices in the field of information security. We have also instituted and executed technical and operational controls to identify and manage security risks within our current environment. Recognizing the significance of identifying and controlling component and information system vulnerabilities, these elements are integral to our incident prevention efforts and form a fundamental aspect of our implemented security plan [FB-FR-230a.2].



In line with our commitment to safeguarding customer data, **Grupo Éxito achieved Payment Card Industry (PCI) certification in 2023 for e-commerce transactions.** This certification attests to the implementation of sufficient safety procedures to prevent incidents involving data from payment methods like credit cards, fostering customer trust.

The Audit and Risk Committee conducts ongoing monitoring of cybersecurity risks and their management plan on an annual basis. Simultaneously, it provides regular reports to the Board of Directors.

Materialization of Risks during the Fiscal Year

One of the significant risks that materialized in the fiscal year was economic losses resulting from damage to real estate, specifically the Super Inter Castilla store in Pereira, which suffered a fire incident in October 2023. This event impacted merchandise inventory, real estate, and assets. The evaluation of damages is currently underway.

Risk Transfer and Retention Initiatives

The risk management of the Company encompasses the transfer of risks treatable through 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, cyber risk, and risks arising from the contracting process of goods and services.

Throughout the year, strides were made in the financial optimization of cybersecurity risk and material damage. This allows us to assess the likelihood of exceeding the risk tolerance capacity, the insured loss limit, the Economic Cost of Risk (ECOR), and the Premium Efficiency Ratio, estimations were also conducted to

quantify risks associated with civil liability of directors and managers, as well as earthquake- related risks. The goal of the preceding activities is to establish an appropriate framework for risk transfer.

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.

- 

The Company oversees its control system and, in order to increase strategy alignment, evaluates the organizational control system's maturity level every year and creates improvement initiatives that support its performance.
- 

Likewise, during the year, the Company implemented the Sarbanes Oxley Act (SOX) control architecture. The tests revealed scope and control gaps, which were reported to the appropriate government agencies, who then developed and organized compliance-ensuring measures.
- 

Throughout the year, the Organization regularly implemented several projects including Six Sigma, Task Robotization, Lean, and Agile, with the goal of improving 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 - Authorized Economic Operator (for its acronym in Spanish)-- for the logistics and transport operations.
- 

The Company completed 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 initiative will allow the Company to identify the level of exposure to the aforementioned risks, with the goal of strengthening the controls in place for their prevention and response.
- 

The Organization updated several cybersecurity policies and procedures to better meet customer demands in a setting that encourages more certainty in sales, discounts, and payment transactions. The changes were progressive and implemented throughout the year.
- 

At the administrative level, the Company continued to operate under a hybrid model. The package of tools that enable remote and collaborative work allowed business continuity, digital connectivity, information management, and user and team engagement within an environment governed by technology and information security regulations.
- 


Promoted by Grupo Casino, Grupo Éxito carried out an internal self-assessment control, with the aim of making a diagnosis of general controls of the process of Information Technology and Human Resources. In addition to this project, past years' improvement initiatives were tracked.


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In accordance with the SEC (Securities and Exchange Commission) regulation issued on July 26, 2023 "Cybersecurity Risk Management, Strategy, Governance, and Incident Disclosure (the "Final Rule"), regarding the obligation for companies to disclose material cybersecurity incidents; the Company determined the quantitative and qualitative criteria to identify what type of cybersecurity events are considered material incidents for Grupo Éxito, established the organizational structure for its identification, analysis and evaluation; and defined the guidelines to comply with the respective eventual and annual disclosure to said agency of the United States Government.

Information and Communication

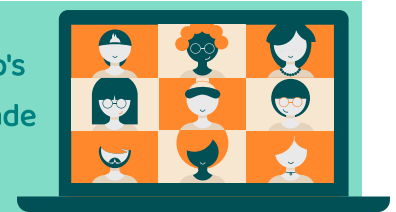
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The Organization operates under platform and information and communication systems applying adequate internal policies and information security practices under a centralized governing system for all Colombian branches and subsidiaries belonging to the Group.
- 


Senior Management maintained communication with important ecosystem partners and third parties with the goal of keeping them up to date about regulatory matters, human resource management, operations, omnichannel, strategic initiatives, financial results, among others.
- 

The changes in key positions in the structure were communicated to the Organization, establishing roles and important dates for the transition.

In compliance with legal obligations, the information about the Casino Group's ultimate divestment of its whole interest in Almacenes Éxito S.A. has been made available to the public.





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The Company developed internal communication and training campaigns, disseminating the main elements of the corporate governance structure and processes, complying with the main regulatory frameworks and the best practices to prevent the most relevant risks.
- 

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.

Monitoring and Supervision

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The supporting committees of the Board of Directors: Audit and Risks; Appointments, Remunerations and Corporate Governance; Financial; Sustainability; and 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 statutory auditing review management, relevant internal

control, regulatory compliance issues, and transactions between related parties and conflicts of interest within their competence.



The Audit and Risk Committee reviewed and approved the amendment to its rules of procedure prior to approval by the Board of Directors.



Company management participated in the Governance Committees and Boards established for national and international subsidiaries.



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, including national and international legal 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 S.A.S., conducted assessments, which covered the accounting and financial processes and systems; the preparation and disclosure of financial information; the risks and internal control 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.



In 2023, the Sarbanes Oxley Act (SOX) compliance assessment was implemented as part of the annual compliance program. The Audit and Risk Committee was informed of the control deficiencies found and the action plans established by the Administration.



The Internal Control System for Éxito and its four national subsidiaries had its second maturity-level examination, which was carried out by Internal Audit. The assessment confirmed the system's strengths that were identified the year before and emphasized the need for improvement on components that performed below expectations.

The Financial Disclosures to the Market during the Company Securities Listing Process in Brazil, the United States, and Colombia were supervised by the Audit and Risk Committee.



Compliance



The Senior Management team is fully dedicated and convinced in the role that an ethical culture and integrity play in the long-term viability of the business served as a major catalyst for the Organization's various processes aimed at enhancing awareness and orientation to accomplish goals, always in accordance, with the values of integrity, transparency, and good governance. These procedures **demonstrated consistency between the Organization's policies and practices, which fosters trust and value with several stakeholders.**

In 2023, the management of the compliance process, which integrates the programs of Transparency, Prevention of Money Laundering, Financing of Terrorism and Financing of the Proliferation of Weapons of Mass Destruction, and Personal Data Protection, continued to strengthen and make visible its **approach to compliance by conviction rather than obligation.** In addition to actions aimed at complying with the legal framework applicable to the management of these risks, the process of evolution and continuous improvement of the programs involved the analysis and compliance with the new applicable regulations as a result of the process of listing the Company's shares in new markets, developing automatic alert detection tools for timely and effective risk management, and the **continuity to develop strategies aimed at building and strengthening a culture of integrity, as one of the key components in the management of compliance risks.**

Senior Management's dedication to the creation and ongoing enhancement of the compliance program encouraged procedures within the Company to increase awareness of the accomplishment of the goals, always in accordance with the values of honesty, openness, and sound governance.

Management of the Transparency Program [GRI 2-26] [GRI 205-1]



The Company has a Transparency Program that incorporates, among other policies and processes, the Donation Policy, the Code of Ethics and Conduct, and the Gifts and Attention Policy. These documents are to provide a framework for ethical and coherent conduct under corporate principles and values. Similarly, the reach of these policies and processes extends to national subsidiaries, who assess and modify the corresponding documents in accordance with the needs and features of their businesses. Nonetheless, these policies might not conflict with the regulations and standards established by its parent company.

The Company's sustainability plan incorporates the "Somos Integros" pillar (We are integral), which aims to foster trust with stakeholders within an integrated and sustainable approach, as part of its commitment to

develop its actions on an ethical and transparent framework, within high standards for human rights respect, ethics, transparency, and corporate governance. In this respect, **the Company carried on managing the Transparency Program in 2023, concentrating its efforts on ingraining a culture of self-management that motivates staff members to remain committed, coherent, and responsible for advancing a culture centered on adherence to corporate ethical values and principles;** this also enables the company to forge valuable and long-lasting relationships with all stakeholders. Consequently, the Company, drawing inspiration from global standards and best practices, outlines the key components that combine the activities and that were handled for risk management, such as bribery and corruption, as well as the program improvement:



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 their active participation in the supervision and management of fraud, corruption, and bribery risks. In addition, it is also highlighted the role of the Board of Directors and its Audit and Risk Committee, in relation to the supervision of the Program; the approval of the risk assessment exercises in the matter; updates and the articulation of policies designed in the light of recent regulatory requirements; the participation of the Ethics Committee, as a body representing the Senior Management, from its strategic leadership and the monitoring of the different elements and management of the Program. **The Operational Committee to Combat Fraud and Corruption was permanently involved in the management of the reports received by the complaint channels.** Based on the nature and criticality of the reported facts, the Committee evaluated, recommended, and followed up on the information.



[GRI 205-1]: **Supervision:** In accordance with the duties assigned to the Board of Directors, the management of the Transparency Program was overseen through the monthly and semi-annual management reports and the annual report that the Compliance Officer submitted, which includes a detailed account of the major developments concerning each component of the Transparency Program. Similarly, because of the internal audit role and its regular assessments of the various business processes, constant monitoring is done to find measures that allow the ongoing enhancement of the risk management systems.



[GRI 205-1]: **Risk Assessment** The Company finished updating the bribery and corruption risk mapping project, **which started in 2022 and was created in accordance with the guidelines of the French law Sapin II and the French Anti-Corruption Agency's (AFA) regulations.** The project's goal was to identify preventative measures for bribery and corruption. This exercise made it possible to identify the procedures that comprise the Company's value network, the degree to which employees are exposed to these risks due to the nature of their jobs, the controls in place, and the treatment strategies that lessen the likelihood of an incident occurring and its effects.



[GRI- 205-2]: **Disclosure and Awareness** The Company's ongoing transparency communication campaign, centered around the idea of "Soy Transparente (I am transparent)" and the phrase "Sin nada que esconder (Nothing to Hide)," was directed towards all its associates, including its national subsidiaries. It was built around three main pillars:

- **"Yo - Ética y Transparencia" (I - Ethics and Transparency)**, for the sake of promoting ethical behaviors.
- **"Nosotros" (We)**, safeguard the Company's processes by encouraging process control awareness and self-management.
- **"La Organización" (the Organization)**, determination in managing resources and adhering to an integrity-centered culture extended to associates and stakeholders.

Thus, in line with the principles of the Global Compact, communication and awareness strategies were developed to support the fundamental ideas and directives outlined in the various policies and procedures that oversee company operations. Additionally, the goal was to leverage the development of the country within a framework of fairness, transparency, and good corporate governance. The main communication and awareness-raising actions developed during 2023 are highlighted below.



Internal Communications [GRI- 205-2]: Communication actions were carried out aimed at employees at all levels of the organizational structure working for the Company, through focused actions, related to the nature of the processes and functions they performed. With these actions, special focus was given to the key policies that comprise the Transparency Program, including general principles for the delivery of donations, guidelines, and standards of conduct for the acceptance and delivery of gifts, and management of objective relationships with our suppliers by being aware of the circumstances that may give rise to potential conflicts of interest and strengthening definitions of what constitutes a conflict of interest. Similarly, the standards and guidelines that have to be followed for managing interactions with public authorities and government employees were also informed.

In addition to the aforementioned, the Compliance Officer updated the Board of Directors on several initiatives pertaining to the administration of the Transparency Program and its many components, including the policies and procedures that integrate it, through the monthly management reports.



[GRI- 205-2]: **External Communications** Actions aimed at external audiences were carried out, through which the main policies developed by the Company for the management of integral and transparent relationship with stakeholders were shared. Furthermore, as part of our communication strategy with our suppliers, anti-corruption elements are incorporated into established commercial and contractual connections with third parties. **These provisions set forth the suppliers' duty and commitment to be aware of and follow these rules.**



[GRI- 205-2]: **Internal Awareness** in response to additional actions for the prevention and management of bribery and corruption risks. **The process of selecting positions that are more likely to be associated with bribery and corruption due to their duties led to the creation of the "Transparency Program," a targeted training initiative for the selected positions.** This course covered topics such as the components of the Transparency Program, definitions, and concepts on the risks of bribery and corruption, and the Company's developed procedure for handling situations received through the complaint channels. It also reinforced collaborators' commitment to promoting integral relationships. During 2023, a total of 5,397 employees were trained in this program.

Emphasis is placed on the workers' active involvement in forums and regulatory compliance initiatives, which have made them stand in for these initiatives, which seek to maintain neutrality in their interactions with all stakeholders. Among the actions the following are highlighted:



Spaces to raise awareness about the value of ethics and its contribution to the fulfillment of the Superior Purpose: "Nourishing Colombia with Opportunities," reaching different brands, for example, Carulla, Super Inter, Surtimax, Surtimayorista and VIVA Brand Managers Summit. **Managers and store leaders received relevant training in these events.**



A training program started for 33 employees who work in the Department of Business Sales and the Commercial and Supply Vice-Presidency. The program's focus was on processes and areas that, by virtue of their duties, have some sort of relationship with third parties. The training reinforced the ideas, guidelines, and framework of action outlined in the Transparency Program and other related policies and procedures.

As part of the actions of the **community "LiderAndo,"** (I am being a leader) a discussion meeting was held aimed at those who are part of this audience. Guests in this space included Yolanda Ruiz, a renowned national journalist, and Juan Luis Mejía, former president of EAFIT University. Through their varied reflections and embodied examples of ethical dilemmas, they addressed key concepts about understanding the value of ethics and transparency in the role of leaders, as well as the obligations they must take on to promote ethics and transparency as pillars that guide the teams' fulfillment of the Superior Purpose. Furthermore, this area was incorporated into the collaborators' learning route, and by 2023, **31,343 employees were reached.**



*(Invitation sent to the LiderAndo community to strengthen tools to manage the Company's Superior Purpose based on ethics and transparency).

Complaint Channels [GRI 2-26, 205-3]

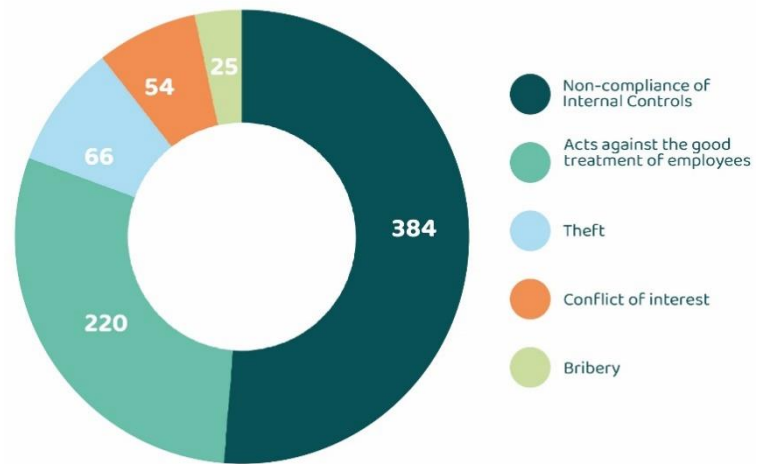
The Company managed the reporting channels thoroughly in 2023, keeping a close eye on their administration, efficiency, confidentiality, and operation. **It recognized that these channels served as a useful instrument for tracking program effectiveness and risk.**

The reporting channels were incorporated into the internal and external communication strategy as a crucial component of the yearly communications plan, with the goal of encouraging their thoughtful and responsible usage to take proactive measures to control and mitigate the risks of fraud, bribery, and corruption. It was widely disseminated through a variety of internal and external media, turning these platforms into a theme axis in discussion boards, supplier training spaces, social media, websites, and the corporate intranet.

In keeping with the preceding, the Company motivated by adopting international standards and good practices, has created the Non-Retaliation Policy, which goal is to set general guidelines and regulations that allow guiding and adhering to a reporting culture within the Company as well as the protection of individuals who report and/or complain in good faith.

[GRI 205-3] In 2023, the Company received **777 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 support 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 2023, the five main typologies were as follows:

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



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

Of the total reports completed in 2023, 23% 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 five 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. The main measures implemented were:

- **888** feedback measures for employees.
- **77** control update processes, including procedure adjustments, automatic controls, policy design, and monitoring, among others.
- **18** disciplinary measures, including reprimands and suspensions.
- **17** administrative decisions on termination of employment contracts.
- **12** training actions.
- **Seven** employee transfer processes.
- **Four** judicial actions.
- **One** recovery measure.

None of the completed and verified reports related to bribery or corruption with public officials, or to events associated with money laundering, financing of terrorism or financing the proliferation of weapons of mass destruction.

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 members of the Board of Directors and Senior Management, described in the respective chapter of this report, the Company complied with the Conflict of Interest Policy set forth in the Code of Ethics and Conduct, and supported in the constant training, and the creation of culture within employees, about 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 establishment of the annual day for declaration of conflicts of interest, which turned out to be a historical result **achieving the mobilization of the Company on the target audience for the registration of the declaration of conflicts of interest, obtaining a total of 5,597 declarations, which indicate the absence or existence of a possible conflict of interest.** Faced with situations of possible conflicts of interest, the largest number of declared situations corresponded to the category of "working with a relative or affective partner in 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 corporate structure.

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 2023, and since 2015, the Company has not made donations to campaigns, candidates, or political movements.

Furthermore, the social donations made in 2023 were in line with the Company's Sustainability Policy and the value approved in the donation proposal by the General Shareholders' Meeting, equivalent to COP2,107,400,000. 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 for the culture of transparency and integrity. In this way, the Company manages policies, practices, and controls that are focused on fostering trust within the parameters of the social objective development with the various interest groups and **with the aim of establishing long-lasting relationships over time. All the above, to continue the establishment of sustainable business relationships.**

The following program management actions of the risk prevention system, based on its main structural elements are highlighted:

-  **Leadership and organizational commitment:** the Company, as evidence to its commitment to and focus on continuous improvement in the development of the ML/FT/FPWMD Risk Management System, has a functional structure defined by the Board of Directors, the body in charge of fostering the expansion and ongoing improvement of the system through the approval of policies and procedures and ongoing oversight of it through the various committees. In keeping with the foregoing and underscoring the importance of risk management for the Company, it uses its various actions **to build and foster a culture of integrity, openness, and trust in which there is harmony between the policies and practices that are ultimately implemented in real-world situations.** The Board of Directors is kept regularly informed and updated on the management of the Risk Management System of ML/FT/FPWMD, through the development of the various sessions of the Board of Directors, Audit and Risk Committee, and Ethics Committee, as well as through the monthly and semi-annual management reports.

✔ **Risk Assessment:** As part of the risk-based approach, and under industry standards and best practices, the ML/FT/FPWMD risk matrix was updated, which considered the expertise, viewpoint, and involvement of several process leaders. The risk matrix serves as the Company's foundation for promptly preventing and controlling these risks, enabling effective risk mitigation **while providing a transversal and holistic view of the various events that the Company could face. This enables the Company to set priorities and focus efforts on proactive and preventive risk management.**

✔ **Due Diligence:** The Company recognizes the value of knowing its stakeholders, therefore it has established a due diligence process that enables business transactions to be carried out in accordance with open, transparent, and trustworthy standards. As a demonstration of this process, Almacenes Éxito conducted 201,035 due diligence processes in 2023, for restrictive and binding lists and public sources for the management of ML/FT/FPWMD risks on the different stakeholders that Grupo Éxito established a commercial and/or contractual link with, such as suppliers, business customers, employees, shareholders, and other related third parties,

Furthermore, in 2023, the due diligence procedure was revised in accordance with the principle of continuous improvement compliance processes. This update integrated the new aspects of the current regulation along with the established best practices in this area.

✔ **Monitoring:** Understanding the potential benefits and value creation that come with utilizing new technologies, **the Company has leveraged the development and continuous improvement of the ML/FT/FPWMD risk prevention program through the design and implementation of data science and digital analytics-supported solutions** that are focused on monitoring and producing alerts that enable prompt decision-making and efficient action for the prevention and mitigation of the risks to which the Company is exposed to as a result of the growth of its social object and its interactions with various stakeholders.

Training and dissemination: Activities to increase awareness, train, and disseminate the guidelines, objectives, principles, elements, and duties of the various actors that comprise the risk prevention system of ML/FT/FPWMD are components that aid in the construction and promotion of a culture of transparency. In this regard, a communication and training plan was structured and implemented during 2023, involving holding several internal and external focal training days as well as the development of a communication campaign to reinforce the core policies and procedures. The channels for reporting unusual operations were given special attention as they are an essential mechanism for timely and effective management, starting with prevention.

✔ [GRI 2-27]: **Regulatory compliance** in the field of ML/FT/FPWMD risk management is in line with the most recent regulatory requirements as well as international standards. **The Company continued to maintain a theoretically sound framework of obligations and ongoing updates that enabled it to comply with within the terms and requirements of normative duties in 2023.**

Additionally, to articulate the guidelines and methodologies in the field of risk management while respecting and differentiating the unique needs of each economic sector to which the subsidiaries belong, a joint alignment, accompaniment, and training effort was conducted with the Company's subsidiaries that are required to implement this type of systems.

Management of the Personal Data Protection Program



The key strategies in managing the Comprehensive Program of Protection of Personal Data during 2023 were the creation and reinforcement of an organizational culture of privacy as an essential principle of the business, the ongoing enhancement of data processing, based on accountable and transparent relationship with the various stakeholders regarding the management of their personal information, and the identification and assessment of privacy and data protection as a strategic risk for the Company. The prior was underpinned by an action framework that prioritizes the adoption of industry best practices for the protection of the fundamental right to privacy as the program's main principle and by proactive, transparent management that aims to comply with all applicable laws and regulations.

In order to comply with applicable regulations, the Company developed a framework of action for strengthening its privacy culture and continuously improving its personal data protection program. Proactive and transparent management was also adopted, with the main goal of the program being the assurance of the fundamental right to privacy through the adoption of best practices.

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 Board of Directors, the Audit and Risk Committee, and the Executive Committee for Personal Data Protection, which held seven sessions during 2023. These Senior Management entities fulfilled their obligations regarding data protection through the oversight and ongoing monitoring of the Program, as well as the development and promotion of strategic guidelines to manage the major changes in the current regulations, reduce the risks associated with

data management, and uphold the fundamental right to privacy. Similarly, the Board of Directors and Senior Management were regularly informed on program reports and plans to mitigate relevant risks linked with personal data privacy and security.

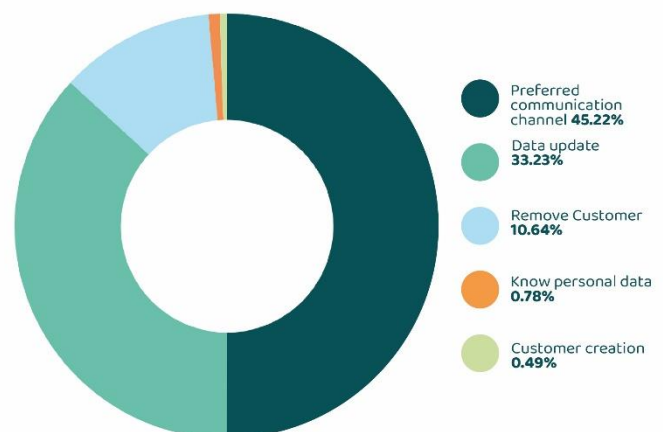


Risk-focused Management: The Company, through its constant updating and monitoring exercises, continues to recognize the risk of personal data and privacy management as a strategic level risk and thus is evidenced within the corporate strategic risk profile; this implies the search for continuous improvement of the program and the strengthening of treatment measures for the mitigation of this risk, with exercises that involve those responsible for the processes as fundamental actors in risk management. As part of the improvement and strengthening actions, a workshop was held to identify and assess risks associated with the protection of personal data. Leaders in charge of personal data handling coming from various corporate processes attended the workshop. The risk matrix was updated; and top priority was granted to the actions and treatment plans that need to be created to guarantee better efficacy in the management of this risk.



[[GRI418-1][FB-FR-230a.1]FB-FR-230a.2]
Management of Habeas Data Consultations and Claims in 2023. The Company received 3,421 applications from the holders of personal data, through the channels of habeas data provided and available for permanent consultation by the stakeholders in our Privacy Policy. These applications were processed in accordance with the procedure defined by the Company. These requests are mainly associated with the following typologies:

Top five typologies of habeas data applications



Program Documentation: based on the Company's commitment to promote the fundamental right to privacy and develop a proactive action focused on respecting the rights of information holders, activities were designed aimed at identifying opportunities for improvement in the policies of the Company, which resulted in the structuring and updating of the available information so that the owner of the information can consult, at any time, the conditions of the treatment of their data. As a result, the Privacy Policy was updated, including sections on the data retention timespan and the prohibition of collecting data from minors, except for specific situations, such as their registration and assistance in activities that contribute to their development or use their image for advertising campaigns of the Company, but always safeguarding their fundamental rights and the prevalence of the interest of minors is ensured. The data collected during those activities is properly authorized by the minor's parent or legal tutor, as established by the regulations in force. At the same time, modifications were implemented to the consent for data processing that our customers grant to distinguish and keep track

of the treatments connected to the transactions they conduct and the additional treatments they consent to, like the distribution of promotional materials.



Program Monitoring: An internal audit of the Personal Data Protection Program was conducted with the goal of monitoring and assessing adherence to the action plans created during earlier audits. Additionally, the audit aimed at evaluating other business operations to determine whether they adhered to appropriate information use regulations and best practices for safeguarding the personal data of our stakeholders. All of this is **done proactively and with respect for privacy; the Company is committed to data privacy management because of the excellent procedures that have been created and put into place**, as well as the ongoing process improvement, program strengthening, and monitoring. In turn, during 2022 it was possible to assess the careful consideration of requirements pertaining to personal data through an audit procedure carried out with the assistance of a third-party company knowledgeable in the field. Work plans were created throughout 2023 to fix the gaps found, based on the audit's conclusions.

In order to guarantee that the right to habeas data of the information holders receives proper attention, monitoring procedures were also conducted in relation to the availability of channels for the habeas data PQRS system (claims and complaints) as well as with the procedure of in-depth care.



Regulatory Compliance: The Company, for the sake of its commitment to comply with the regulations in force, **delivered within the terms established by the various regulatory reports**, all 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 the personal data owners, under the criteria defined by the applicable regulations. According to records found in the corresponding Company information system, a total of five claims were made in the first half of 2023 and two claims in the second half. These claims pertain to data holders who escalated their requests to notify any gaps in the solution offered. The responsible teams have adequately handled each of these requests.



Requests by Authorities: **The requests and filings for personal data protection from the competent authority were fulfilled within the authorized time frames.** Two sanctions were linked to specific, isolated incidents in 2023. These incidents have since been resolved, allowing the Company to move forward with adopting measures for the ongoing process improvement. However, these actions do not align with the Company's strict commitment to upholding the fundamental rights of data owners and protecting personal information, nor with the security measures that have been put in place.

Participation in External Forums and Events

The Company participated in the development and promotion of best practices for the management of compliance-related risks as a member of the "Comité de Cumplimiento Empresarial Colombiano" (Colombian Business Compliance Committee, CCEC, for its acronym in Spanish) and the "Red Latinoamericana de Cumplimiento" (Latin American Compliance Network).

The company hosted and welcomed the other members of the Comité Empresarial Colombiano at its corporate headquarters in 2023. During the meeting, which covered topics connected to the evaluation of controls and monitoring of compliance programs, the Company was joined by Puntos Colombia, Éxito Industrias, and LTSA, within the ethical framework as a cornerstone for achieving our Superior Purpose.



(The image above illustrates the "Soy Transparente" initiative working for risk management and control during the Comité Empresarial Colombiano event).

Furthermore, as member in the Global Compact, the Company is part of the "Red de Oficiales de Cumplimiento" (Compliance Officers Network), from which **it received an invitation to share best practices in training and communication for the Transparency Program.**

Training and Awareness in Compliance Programs [GRI 205-2]

Concerning the areas mentioned above and major exposure processes, a total of **642 employees** were trained in each of the compliance programs, specifically in: (i) Transparency Program policies and guidelines, (ii) the process of reporting and managing unusual operations, as well as due diligence in ML/FT, and (iii) the importance of personal data protection.

In addition to training internal staff, the Company, within the framework of its strategic pillar "Somos Íntegros" (We are integral) **developed strategies aimed at disseminating and training its suppliers in relation to the main elements and policies related to the Compliance Program.** In these meetings, the importance of stakeholders aligning and continuing to act as partners in the management of the risks of fraud, bribery, corruption, ML/TF, and those related to the management of personal data, with the goal of having an impact on 492 suppliers by the year 2023, was discussed. The Company's vision was one of transparency and trust.

Through its online training programs and in-person training sessions, the Company trained 41,435 employees in 2023 in the essential module known as “Guardianes Grupo Éxito”, (Grupo Éxito Guardians) which covers the fundamental aspects of the compliance programs. This allowed the employees to receive guidance on the appropriate management of the risks associated with fraud, bribery, corruption, ML/TF, and the management of personal data, as well as compliance with applicable regulations and good practices that the Company has welcomed in the area. Moreover, with respect to the management of ML/TF risk, 6,091 employees were trained based on a methodology that focused on key elements for the control of certain risks with higher exposure in particular domains and procedures, such money orders and cash registers, remittances, and bank branches.



The coffee Especial Aroma de Occidente, is produced in the mountains of Dabeiba in the department of Antioquia, this municipality is known as “La Puerta de Urabá”. There, the word “resilience” has marked the culture of its inhabitants.

General Shareholders' Meeting

Annual Meeting



The General Shareholders' Annual Meeting took place on March 23, 2023, and 70 shareholders—or 97.14% of the quorum—who hold 1,260,698,119 shares participated, both in person and by representation.

This annual meeting was conducted in person at the company's administrative headquarters.

Main Decisions

The General Shareholders' Meeting approved the [following decisions](#) during the meeting:




- Approved the [Management Report of the CEO and the Board of Directors for 2022 and the Annual Corporate Governance Report for 2022](#).
- Approved the [financial statements as of December 31, 2022](#).
- Approved [the election of members of the Board of Directors for the period 2023 – 2025](#).
- Approved [Board fees for the period 2023 – 2025](#).
- Approved the [Profit distribution proposal](#).
- Approved [the donations proposal](#).

Extraordinary Meeting of the General Shareholders'

On April 27, 2023, the extraordinary meeting of the General Shareholders' Meeting was held, which had the participation of 12 shareholders —or 97.1% of the quorum—who own 1,260,269,760 shares participated, both in person and by representation.




Main decisions

At said meeting, the General Shareholders' Meeting approved the [following decisions](#).

-  Approval of amendments to the [bylaws](#) concerning: (i) the system of shares; (ii) the rules of procedure for the General Shareholders' Meeting; (iii) the rules of procedure for the Board of Directors; and (iv) various final provisions.
-  Approval of [the amendments to the Rules of Procedure of the General Shareholders' Meeting](#), to aligning them with the Company bylaws.
-  Approval of the amendments of the [Election and Succession Policy of the Board of Directors](#).

Differences in the Operation of the General Shareholders' Meeting between the Minimum System of Current Regulation and that Defined by the Company Bylaws and Rules of Procedure of the General Shareholders' Meeting

The activities required for adequate development of the General Shareholders' Meeting in 2023 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' Meeting 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' Meeting establish a 30 calendar days call period for ordinary meetings and 15 calendar days for extraordinary meetings², which are greater than the legally required terms.
-  The Ordinary Meeting of General Shareholders' Meeting was held on March 23, 2023, and was called on February 18, 2023.
-  The Company granted shareholders a period of five (5) calendar days following the call to the regular meeting of the General Shareholders' Meeting, which began on February 19, 2023 and ended on February 23, 2023, to: (i) propose the inclusion of one or more items on the agenda of the meeting; (ii) submit new proposals for decisions on matters on the agenda; and (iii) request additional information or ask questions on such matters.

²According to Colombian regulations, the General Shareholders' Meeting must be called at least fifteen (15) working days in advance for an ordinary meeting and at least five (5) calendar days in advance for an extraordinary meeting (Commercial Code, article 424).



The Extraordinary General Shareholders' Meeting held on April 27, 2023, was called on April 05, 2023.



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' Meeting held in 2023, so that the shareholders could indicate to their proxies how they would vote.



The Company published the calls for meetings of the General Shareholders' Meeting of 2023 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 corporate website; and in the newsletter News to Investors, sent by the Investor Relations Department.

Actions Taken during the Year to Encourage Shareholder Participation

The Company fully complied in 2023 with the requirements of the Corporate Governance Code and the Financial Superintendency's Circular Externa 028 of 2014, which was issued in relation to providing shareholders with sufficient notice of the General Shareholders' Meeting and timely, clear, and comprehensive information.

In this way, the Company encourages shareholders' participation and guarantees respect for their rights.

The following activities were carried out to promote the participation of shareholders in 2023:

- Four publications on quarterly results.
- Four teleconferences on quarterly results.
- One ordinary meeting of the General Shareholders' Meeting.
- One extraordinary meeting of the General Shareholders' Meeting.
- One Investor Day in Colombia.
- One Investor Day in Brazil.
- Twenty-four Non-Deal Road Shows (NDRs) in six countries for a total of 184 contacted funds in 73 meetings, one live event (online) with 3,957 funds connected.
- Attendance to five international bank events with 110 funds that were invited.
- Four conferences for individuals on the Colombian market organized by the investment platform Trii with the participation of 810 attendees.
- Thirty-four meetings and/or calls with market analysts who cover our stock.
- Forty-one meetings and/or calls with local and international investors.
- Three events of bell ringing at New York, Sao Paulo and Bogotá Stock Exchanges within the framework of the listing of ADRS and BDRS.

Information and Communication to shareholders

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

This policy aims to provide the Company's stakeholders 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 found [Disclosure Procedure](#) approved by the Audit and Risk 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).

- Call to the meeting.
- 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.
- Integrated report (contains sustainability report).
- Financial Statements as of December 31, 2022, together with their attachments and other legally required documents.
- Donations proposal.
- Profit distribution proposal.
- 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 "Shareholders Meeting" section for the April 27, 2023 meeting:

- Call to the meeting.
- POAs for a legal person, natural person, parents of a minor, and parent of a minor to a third party
- Proposal to amend the Company Bylaws.
- Proposal to amend the Rules of Procedure of the General Shareholders' Meeting.
- Proposal to reform the Election and Succession Policy of the Board of Directors.

During 2023, the Company published 55 releases through the relevant information mechanism provided by 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' Meeting; the Company's quarterly and yearly results; and about the information regarding the implementation of the Éxito, Casino and GPA Interest Project, which ended with the listing of the Company in the United States and Brazil stock exchanges.

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 154 shareholders, through telephone calls through DECEVAL, the current administrator of the Company's Shareholder Program.

In total, 954 shareholder requests were handled, including rights of petition, related to the following matters:

Shareholders Requests

