

CORPORATE GOVERNANCE REPORT



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INTRODUCTION

Year 2020 was a challenging one from multiple standpoints, and corporate governance issues were not the exception. Based on the situation generated by COVID-19, the Board of Directors and its supporting committees experienced a change in their usual session dynamics; thus, non-face meetings, under the terms of Article 19 of Law 222 of 1995, ceased to be the exception and became the general rule.

The company started the year under the control of Sendas Distribuidora S.A., a 100%-owned subsidiary of Companhia Brasileira de Distribuição (“GPA”) which, under the Public Tender Offer (“OPA”) formulated by the company and duly authorized by the Financial Superintendency of Colombia in the framework of the project to simplify the corporate structure of Casino, Guichard-Perrachon S.A. in Latin America, acquired 96,57% of the company’s total shares **[GRI 102-10]**.

As a result of the aforementioned change of control, in January, the General Shareholders Meeting approved the change of the Board of Directors, which was made up by the following persons for the period 2020-2022: As non-independent members, i) Ronaldo Iabrudi dos Santos, ii) Peter Paul Estermann, iii) Christophe José Hidalgo, iv) Rafael Russowsky, v) Bernard Petit and vi) Philippe Alarcon; and, as independent members, i) Luis Fernando Alarcón Mantilla, ii) Felipe Ayerbe Muñoz and iii) Ana María Ibáñez Londoño.

This new Board conformation shows the diversity that the company promotes, in both professional and academic aspects, as well as in personal aspects, such as gender, nationality, age, race, among others, in order to guarantee complementarity in the members of the Board of Directors and plurality of identities and perspectives for better decision-making. **The promotion**



The company continued working to apply corporate governance best practices by continuing those previously adopted through different strategies that had contributed to high standards compliance.

of the diversity criterion in the election of the Board of Directors allows for prosperity and business growth, thus contributing to better corporate governance.

In view of the recent change of control and the election of a new Board of Directors, together with the restrictions and different challenges arising from the health contingency, the management of the company focused on providing the necessary tools to ensure the adaptation and consolidation of its new management body, which, within its strategic role, would face the many challenges inherent in this reality.

The new members of the Board of Directors received virtual onboarding, which addressed issues such as the company’s strategy, business model, organizational structure, among other relevant ones. Similarly, at the first meetings of the Supporting Committees held in January and February, they were offered a leveling session on the key issues under analysis and review by each of the Committees.

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As thus, the onboarding and training forums promoted, heterogeneous and diverse composition, the appropriate implementation of the technological mechanisms suitable for conducting non-face meetings and the timely access to the information required for decision-making, enabled the Board of Directors to adapt to the new reality and include all issues required to be reviewed, providing high-value contributions based on their knowledge.

In July, in line with the present and future challenges faced by the company to accelerate its omni-channel strategy in its different brands and complementary businesses, and in order to respond to new realities based on the new customer habits and behaviors, the Board of Directors, prior knowledge and recommendation from the Expansion Committee, approved the extension of the scope of said Committee, in order to also make it aware of the complementary businesses of the Company, and the change of its name, going from Expansion Committee to Business and Investment Committee. Based on the above, from the date of its approval, the Committee has been consolidating its scope, following up and supporting the Board of Directors in making decisions associated with business, including those of real estate and the most important investments.

During the year, the company continued its previously adopted corporate governance best practices and implemented different strategies that contributed to meeting high standards in this area. This is evident in:

- Its commitment to transparency with shareholders and investors in disclosing the company's relevant financial and non-financial information, through the relevant information mechanism, on the corporate website and on the media, in compliance with the duty of disclosure of information that governs its actions.
- Its interest in adopting and promoting the consolidation of corporate governance best practices within Grupo Éxito, by means of:
 - The implementation of the measures promoted by the Dow Jones Sustainability Index in order to align its actions with the highest international standards in social, environmental, economic and corporate governance issues, with a view toward seeking the generation of shared value to all stakeholders
 - Strengthening the corporate governance scheme of the national subsidiaries that make up Grupo Éxito, by optimizing their corporate governance codes and bylaws, training employees in the most relevant policies and structuring a new defined corporate governance operation model.



We are among the 10 most sustainable food retailers in the world according to the Dow Jones Sustainability™ Emerging Markets Index and were rated the industry's best in environmental reports worldwide.

As a result of the practices outlined above, the company received the following awards:

- We are among the 10 most sustainable *food retailers* in the world and, for the eighth consecutive year, we remain the only *food retailer* in Latin America recognized for its sustainability standards, according to the Dow Jones Sustainability™ Emerging Markets Index.
- We obtained an increase of 5 points, from 64 to 69 points over 100, in the Dow Jones Sustainability™ Index.
- We were rated the industry's best environmental report worldwide and were included in *the 2021 Sustainability Yearbook* published by the Dow Jones Index.
- For the eighth consecutive year, we received the Issuers-IR recognition granted by the Colombian Stock Exchange, having voluntarily adopted best practices in the field for disclosure of information and investor relations.

Regarding the management of compliance risks related to fraud prevention, bribery and corruption, the prevention and control of money laundering and terrorist financing, and the protection of personal data, **the company recognized the value it generates toward the achievement of its strategic objectives, the continuous promotion of the highest standards of ethics and transparency among all its stakeholders.** Thus, reflecting the commitment made by the Senior Management, it strengthened its compliance program by updating risk analyses and self-regulating some aspects of risk mitigation.

In addition, by implementing the project on risk mapping for fraud, bribery and corruption, under the guidelines of the French Sapin II Law and the requirements of the French Anti-Corruption Agency (AFA), the company articulated compliance with national and international standards, where applicable. This exercise allowed for the identification of the level of exposure to the aforementioned risks, throughout the processes that make up the value chain and from the exercise of the employees' functions, in order to strengthening the controls implemented for their prevention and response.

An analysis of the main risks and trends was carried out during 2020, with the participation and leadership of the Senior Management, in the light of the new normality, thus obtaining a new profile of strategic risks. These, extended to the different businesses of the company, also served as an expression of a culture of risks entrenched in the company and in attention to the important changes of the environment. In addition, new strategies for the management of these risks were defined and implemented and, in addition, the company made progress in the management of risks at the operational level by maturing the model of risk managers, who were provided methodological accompaniment, training and awareness raising.

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COMPANY OWNERSHIP STRUCTURE

Capital and Ownership Structure

Each share registered in the share registry book confers the right to one vote at the General Shareholders Meeting, without restriction as to the number of votes that may be cast by the holder or representative, but subject to the prohibitions or inabilities established by law to vote on certain decisions, as in the case of the company's directors and employees, in the events indicated by law, as well as the provisions contained in the Use of Privileged Information Policy set forth in the Corporate Governance Code. Therefore, Grupo Éxito recognizes and guarantees to shareholders the same rights and privileges.

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

As of December 31, 2020, the number of shareholders was 5,085, out of which, 94.32% was comprised of individuals with a 0.73% shareholding, and 5.68% of legal entities with a 99.27% share of the share capital.

Major Direct and Indirect Shareholders

In 2019, as a result of the tender offer (OPA) submitted by the subsidiary of Companhia Brasileira de Distribuição (GPA), Sendas Distribuidora S.A. (Sendas), it acquired 96.57% of the company's shares, which is equivalent to 432.256.668 shares and is therefore the controlling shareholder.

On February 4, 2021, the decisions made on December 31, 2020 at the General Shareholders Meeting of Sendas and GPA were formalized in Colombia. Those decisions by said shareholders informed the approval of the proposal for a corporate reorganization consisting of: (i) a partial spin-off of Sendas, to segregate the participation of Sendas in the Company, and (ii) the transfer of certain operating assets, with the incorporation of the spin-off units into GPA. As a result of this transaction, GPA is the majority shareholder of the company.

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

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

As of December 31, 2020, Luis Fernando Alarcón Mantilla is a shareholder with 10,000 common shares. The acquisition of these shares was duly authorized and disclosed in 2016, and no transactions were made that required any information. As of that date, no other member of the Board of Directors was holder of company's shares.

As December 31, 2020, seven members of Senior Management (levels 1, 2 and 3 of the Company's organizational structure) held 11,791 shares. During 2020, members of Senior Management did not make any transactions with said shares.

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

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

The Company does not have any other major shareholders, which are defined as parties holding 10% or more of the outstanding shares.

Shareholder Agreements

In 2020, the Company did not receive information about the signing, amendment or termination of Shareholder Agreements.

COMPANY MANAGEMENT STRUCTURE

[GRI 102-18]

Composition of the Board of Directors and Committees

The Board of Directors of the Company is composed of nine members elected by the General Shareholders Meeting.

In line with the commitment of the administration to promote the criterion of diversity in the process of election of the Board of Directors and thus contribute to better corporate governance. This social body currently enjoys complementarity among its members (in the professional and academic aspects, and in the personal aspects, such as gender, nationality, age and race, among others) and the contribution of multiple identities and perspectives for appropriate decision-making.

BOARD OF DIRECTORS

Elected by the General Shareholders Meeting for the period 2020-2022

→ **CLICK ON EACH PHOTO**
to see profiles of the members
of the Board of Directors

I N D E P E N D E N T M E M B E R S [GRI 102-22]

Luis Fernando Alarcón Mantilla



Felipe Ayerbe Muñoz



Ana María Ibáñez Londoño



N O N - I N D E P E N D E N T M E M B E R S



Ronaldo Iabrudi dos Santos Pereira



Peter Paul Lorenço Estermann



Christophe José Hidalgo

Rafael Russowsky



Bernard Petit



Philippe Alarcon



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

Bernard Petit is a Board member of the subsidiaries Grupo Disco Uruguay S.A. and Libertad S.A.

Policies Approved by the Board of Directors in the 2020 Reporting Period

During 2020, the Board of Directors approved the Public Server Relationship Policy, a mechanism whose purpose is to align the actions of employees and third parties who carry out lobbying activities for the management of the interests of the company with public authorities and State agencies around decisions and regulations that affect it. This policy abides by the standards and conduct guidelines of the Transparency Program.

In this way, the company is at the forefront of international good practices for the management of this specific risk area, which anticipates any regulatory requirements and thus reflects the commitment to the promotion and drive of the best standards of transparency among its interest groups, being among the pioneering companies in self-regulation in this area.

Procedure for the Election of Candidates to the Board of Directors [GRI 102- 24]

There is a policy and procedure approved by the General Shareholders Meeting for the election of the members of the Board of Directors, which regulate, among others:

- The deadline for appointing candidates
- The process for appointing candidates
- The methodology used for evaluating candidates
- The desired profile of candidates (experience and personal profiles)

This [policy](#) (contained in section 2.2.2 of the Corporate Governance Code) and [procedure](#), as well as the life [curriculum vitae and acceptance letter](#), model are available on the corporate website.

Board of Directors Remuneration Policy [GRI 102-35]

The Board of Directors Remuneration Policy, approved by the General Shareholders Meeting on June 11, 2015, provides that the members of this body shall be entitled to a fixed remuneration for attendance at meetings, both in person and not in person, whose value for the corresponding period shall be defined by the General Shareholders Meeting at the meeting at which the election corresponds and whose value shall meet a series of principles and criteria.

The remuneration system of the Board of Directors adopted by the company does not provide for the recognition of a variable component linked to the good performance of the company in the medium and long term.

For more information on this policy, please refer to section 2.2.3 of [the Corporate Governance Code](#). Similarly, to find out the remuneration approved by the General Meeting of Shareholders at its regular meeting on January 23, click [here](#).

Board of Directors and Senior Management Remuneration

On January 23, 2020, the General Shareholders Meeting approved keeping the same allocation of Board of Directors' fees that had been approved by the General Shareholders Meeting on March 27, 2019, in considering that such an allocation complies with the principles set out in the Board of Directors remuneration policy and maintains competitiveness. Therefore, the remuneration for the period 2020-2022 was approved under the following terms:

	Board of Directors	Committees
Chairman of the Board	For the Chairman of the Board, a fee of COP11,550,000 was approved for preparation and attendance of each Board meeting.	A fee of COP7,700,000 was approved for preparation and attendance of each meeting of the respective Committee.
Other members	For other members of the Board a fee of COP7,700,000 for preparation and attendance of each Board meeting.	A fee of COP3,850,000 for preparation and attendance of each meeting of the respective committees.

Based on the foregoing, in 2020, the company paid the members of the Board of Directors, for their attendance to the meetings of the Board of Directors and its committees, the amount of COP1,736 million.

The Senior Management Remuneration and Assessment Policy, as approved by the Board of Directors in September 2016, establishes the criteria and guidelines that must be taken into account to set the remuneration and other economic benefits granted to members of Senior Management, i.e., the CEO, Chief Operating Officer, Vice Presidents, General Counsel and Internal Auditor Director.

The remuneration for Senior Management members is disclosed in note 37.1 of the Company's financial statements and can be reviewed on the corporate website: www.grupoexito.com.co

Support Committees to the Board of Directors [GRI 102-18]

The Board of Directors has five committees that support the Board of Directors in its management and exercise advisory or decision-making functions. For more information, [click here](#).

Attendance of Board and Committee Meetings

BOARD OF DIRECTORS MEETINGS¹

Member	Sessions attended	(%)
Luis Fernando Alarcón Mantilla (Chairman)		14/14 100%
Felipe Ayerbe Muñoz		14/14 100%
Ana María Ibáñez Londoño		14/14 100%
Ronaldo Labrudi dos Santos Pereira		10/11 91%
Peter Paul Lorenço Estermann		11/11 100%
Christophe José Hidalgo		9/11 82%
Rafael Russowsky ²		11/11 100%
Bernard Petit		14/14 100%
Philippe Alarcon		14/14 100%

Committees of the Board of Directors Meetings³

Committee	Members	Sessions attended	(%)
Audit and Risks Committee	Luis Fernando Alarcón Mantilla (Chairman)		9/9 100%
	Felipe Ayerbe Muñoz		9/9 100%
	Ana María Ibáñez Londoño		7/9 78%
Financial Committee	Christophe José Hidalgo (Chairman)		5/6 83%
	Luis Fernando Alarcón Mantilla		6/6 100%
	Felipe Ayerbe Muñoz		7/7 100%
	Ronaldo labrudi dos Santos Pereira		6/6 100%
	Rafael Russowsky		6/6 100%
	Bernard Petit		1/1 100%
Appointments, Remuneration and Corporate Governance Committee	Philippe Alarcon		1/1 100%
	Felipe Ayerbe Muñoz (Chairman)		10/10 100%
	Luis Fernando Alarcón Mantilla		10/10 100%
	Ana María Ibáñez Londoño		9/10 90%
	Ronaldo labrudi dos Santos Pereira ⁴		7/7 100%
Sustainability Committee	Peter Paul Lorenço Estermann		7/7 100%
	Philippe Alarcon		10/10 100%
	Ronaldo labrudi dos Santos Pereira (Chairman)		5/6 83%
	Ana María Ibáñez Londoño		6/7 86%
Business and Investment Committee	Felipe Ayerbe Muñoz		7/7 100%
	Rafael Russowsky		6/6 100%
	Philippe Alarcon		6/6 100%
	Peter Paul Lorenço Estermann (Chairman)		5/5 100%
	Luis Fernando Alarcón Mantilla		6/6 100%
	Christophe José Hidalgo		4/5 80%
	Bernard Petit		6/6 100%
Philippe Alarcon		1/1 100%	
Business and Investment Committee	Tatyana Aristizábal Londoño (external advisor)		1/1 100%
	Luiz Henrique Rodrigues (external advisor)		5/5 100%

1. Includes in-person and remote attendance.
 2. Mr. Ronaldo labrudi dos Santos Pereira, Mr. Peter Paul Lorenco Estermann, Mr.Christophe José Hidalgo and Mr. Rafael Russowsky were elected members of the Board of Directors on 23 January, 2020.
 3. Includes in-person and remote attendance.
 4. Mr. Ronaldo labrudi dos Santos Pereira, Mr. Peter Paul Lorenço Estermann, Mr. Christophe José Hidalgo and Mr. Rafael Russowsky joined their respective Board Support Committees on 23 January 2020.

Quorum for Board and Committee Meetings

Board of Directors: The quorum was 97%.

For more details, click [here](#).

BOARD OF DIRECTORS COMMITTEES

Committee	Quorum (%)
Audit and Risks Committee	93%
Financial Committee	97%
Appointments, Remuneration and Corporate Governance Committee	96%
Sustainability Committee	91%
Business and Investment Committee	96%

For more details, please click [here](#).

Chairman of the Board of Directors [GRI102-23]

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 to taking the lead and ensuring that the Board meetings are conducted in an orderly fashion, complying with the agenda and addressing all the issues proposed, the Chairman of the Board also performs the functions stipulated for said position in Article 31 of the Company Bylaws. You can review [here](#).

Considering the scope of the specific functions of the Chairman of the Board and his increased time-consuming, he has differentiated treatment from the other members, both in his duties and in his remuneration.

Board of Directors Secretary

Claudia Campillo Velásquez, who, since January 2017, had been appointed Chief Legal Officer of the company, has served since December 9, 2019 as Secretary of the Board of Directors and the General Shareholders Meeting, as well as Vice President of Corporate Affairs.

During 2020, she led the adoption of the Diligent Boards application for the meetings of the Board of Directors and its Supporting Committees, strengthening the participation of these social bodies in the company's digital transformation process, through a digital solution for the secure and agile management of support material required by its members for informed decision-making.

The functions of the Secretary-General are provided for in article 43 of the Bylaws, which can be consulted [here](#).

Relationships of the Board of Directors with the Statutory Auditor, Financial Analysts, Investment Banks and Rating Agencies, and External Consulting Services Received by the Board of Directors

The relationship between the Board of Directors and the Statutory Auditor was 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. In the Audit and Risks Committee meetings, the Statutory Auditor reported progress regarding the external auditing plan, the findings and recommendations related to the accounting and financial processes and systems; as well as the follow-up of compliance with the action plans proposed by the management.

In developing the functions that the company's Audit and Risks Committee performs in relation to the fiscal review, after knowing the considerations of the GPA Audit Committee

on technical qualification (qualified opinion) included by the independent auditors in *their Audit Report on the financial statements as of December 31, 2019* of GPA. The Committee issued two statements on the matter, stating the reasons why it would not be necessary to re-state the company's financial statements as of December 31, 2018, which was made known to shareholders and the market through the corporate website.

The Board of Directors, by virtue of the monitoring and supervision work carried out by the Audit and Risks Committee in connection with the above-mentioned matter, had a permanent knowledge of the matters related to it.

As a result of the SOX implementation project in Grupo Éxito, the Board of Directors and the Audit and Risks Committee were aware of the hiring of PricewaterhouseCoopers as a consulting firm to advance in the work plan and the progress presented.

Management of Board of Directors Information

During 2020, the company met the deadline set forth in the Company's Corporate Governance Code for sending 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.

At the end of each meeting of the Board of Directors and of the respective committees, the Secretary-General and the secretaries of each committee kept the information and ensured that it was used as support for the preparation of the minutes of the respective meetings, and, where applicable, such information was included in the minutes themselves.

During 2020, the Company initiated the use of the Diligent Boards application, through which, prior to each meeting, support material for each session is made available to members of the Board and its Support Committees.

Through this application, managers can permanently review all documents that will be treated in each session; this ensures secure custody of the information, provides traceability in the updates and provides tools for interaction with its content. This integrates digital transformation to the management of information required for informed decision-making by the Board and its committees.

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

Activities of the Board Committees

AUDIT AND RISKS COMMITTEE

The Audit and Risks Committee, made up of three independent directors of the Board of Directors, carried out its role of support in the surveillance and supervision of accounting processes, financial information and reporting, risk management, internal control system and architecture, internal audit and fiscal review processes, compliance with internal laws and regulations and internal codes of conduct, and related party transactions and conflicts of interest within their jurisdiction.

In 2020, the Committee's activities focused primarily on the following:

- Analysis of the individual and consolidated interim and year-end financial statements prior to the disclosure of information to the market.
- Follow-up the Information Disclosure Policy (financial, non-financial and relevant information), complying with the regulations established in the Corporate Governance Code, the Financial Superintendency of Colombia and the Country Code.
- Review and approval of the scope, resources and annual plan of the internal audit including key issues to be ensured in the context of the contingency by COVID-19. The Committee was

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responsible for its follow-up based on its performance, independence, indicators and results of evaluations of the reviewed processes and investigations; in addition, it considered the level of implementation of the main action plans agreed with Senior Management to improve the Group's internal control system.

- The follow-up included relevant recommendations and/or the results of audits carried out at national and foreign subsidiaries. In addition, it followed up on the initiatives of the internal audit transformation strategy, focusing on the provision of superior service, which adds value to interest groups and strengthens governance, risk and control processes; also, that they were aligned with the international standards and the company's strategy.
- Follow-up to the scope, plan, results and independence in the provision of the Statutory Auditor service and review the opinion issued on the individual and consolidated financial statements.
- Review of the 2020 strategic risk management and maps, which included the identification of three new risks arising from the pandemic: cybersecurity, safe environment and biosecurity and demand behavior; addressing issues such as scenarios, impacts, control measures, projects and strategies. Thus, the Committee supervised and informed the Board of Directors of the effective implementation of the Risk Policy in relation to the identification, management and communication of the main risks (financial and non-financial) to provide an integrated view of the Group by businesses, subsidiaries and/or areas of activity, and guide corporate strategy.
- Knowledge and approval of transactions between related parties submitted by the Senior Management; In addition, it issued recommendations on transactions, including analyses of the materiality of transactions, the protection of the interests of the parties, the generation of value, the equal treatment of shareholders and the sustainability of market conditions.

- Review of conflict of interest situations of the Board of Directors and Senior Management (levels one and two); the Committee also issued recommendations on the treatment of these conflicts of interest.
- Monitoring the efficiency and proper functioning of regulatory compliance, including transparency programs, personal data protection programs and the system for preventing money laundering and terrorist financing, for which it reviewed the Compliance Officer's management reports prior to approval by the Board of Directors, reviewed the statistics of internal reports of unusual operations and external reports to the Financial Information and Analysis Unit (UIAF).
- Consideration of the proposal for re-election of E&Y for the provision of Statutory Auditor services for the period 2020-2022, as well as its fees. These include exclusive fiscal auditing and audit-related work on the implementation of the SOX project in the company.
- Review and approval of PriceWaterhouseCoopers as a consulting firm for the SOX Compliance Implementation Project in Grupo Éxito. In addition, the Committee followed up on the progress of the project and the most relevant issues in its development.
- Alignment with the Audit Committee of parent company Companhia Brasileira de Distribuição (CBD), within the framework of the corporate governance of both entities, in order to work on common purposes and generate synergies. In addition, supporting the areas leading the Group's control architecture, mainly the Internal Audit, in its communication with the Internal Audit Committee, on issues such as structure and methodology, risk management, relevant internal control issues, financial processes and management, internal audit and external audit.
- Surveillance and supervision of the relevant facts of the investigation of Vía Varejo related to alleged accounting irregularities and deficiencies in internal control, which was finalized without impacts for the company, considering that the effects resulting from the investigation on the financial statements of Vía Varejo were not significant and, moreover,

corresponded to periods in which CBD was no longer the controlling company of Via Varejo. The Audit and Risks Committee delivered its opinion on the website on February 19 and May 11, 2020.

- Training in cybersecurity as part of the strategic management of the organization, as well as the main cyber-threats in the current environment.

Within the framework of the management carried out, the Committee regularly reported to the Board of Directors its main activities, recommendations and/or approvals in the scope of its competence. This included recommendations and/or approvals on matters under its responsibility. It also validated the Corporate Governance Report prepared by the Company and recommended its approval for the Board of Directors.

The Audit and Risks Committee, made up of the three independent directors, focused on:

- Analysis of the **individual and consolidated interim and year-end financial statements**, prior to the disclosure of information to the market
- Carrying out the follow-up of performance, results and transformation strategies of the Internal and Statutory Auditing
- Review of the company's risk management and compliance processes, primarily those elevated by the pandemic; and focus on greater assurance of these with internal audit processes
- Review of transactions between related parties, ensuring compliance with defined policies and procedures
- Review and follow-up on Board and Senior Management **conflict of interest situations** (Levels 1 and 2)
- Follow-up to the SOX Compliance Implementation Project

- Alignment with the Audit Committee of parent company Companhia Brasileira de Distribuição ("CBD"), to work on common purposes and generate synergies

APPOINTMENTS, REMUNERATION AND CORPORATE GOVERNANCE COMMITTEE

The Committee followed up on the policies and main indicators relating to the company's human resources strategy, including: labor expenses, staff turnover, short-and long-term compensation schemes, and staff cost reduction plans. With regard to the long-term variable compensation scheme, the Committee approved the investment of resources for the year 2019 and followed up on the investment of resources from previous years.

It also presented to the Board of Directors: **the salary increase for 2020** applicable to the base staff, which was due to the negotiation that the company advanced with the union organizations; the proposed salary increase for the rest of the employees, the inter-administrative credit regulation, and the different **restructuring plans and savings in personnel costs and expenses**.

Similarly, during 2020, the Committee conducted a management talent planning exercise and was responsible for analyzing **the company's pandemic situation** throughout the year.

Good corporate governance practices promoted by the Committee have helped the company maintain its corporate governance standards at a high industry percentile in the Dow Jones Sustainability Index.

FINANCIAL COMMITTEE

During 2020, the Financial Committee closely monitored the company's cash levels in order to ensure liquidity and proper management of its resources, ensuring compliance with investment policies. In addition, it regularly monitored macroeconomic and market indicators.

At the same time, the Financial Committee worked to review and monitor the Company's debt position and derivatives of interest

and FX rates, supporting the Board of Directors in structuring strategies and proposals, which enabled optimization of financial expenses and improvement of the Company's financial indicators.

This Committee also provided regular guidance for obligations derived from credit contracts and/or covenants, especially the debt ratio landing (net financial debt/adjusted EBITDA).

BUSINESS AND INVESTMENT COMMITTEE

As a consequence of the need to accelerate the company's omni-channel strategy, the Board of Directors, with prior knowledge and evaluation by the Expansion Committee, approved the refocusing of such Committee, with the aim of having it deal with, in addition to the issues of expansion, brand and complementary business issues, changing its name to Business and Investment Committee.

During 2020, the Committee actively participated in the definition and follow-up of the strategy designed for the expansion of the company's real estate and retail businesses, closely monitoring the implementation of Capex (capital investments) to ensure the solid and profitable growth of the organization's various businesses and investments. In addition, the Committee expanded its approach to monitor retail formats and the performance of complementary businesses; thus, the name of the Expansion Committee is modified and renamed as Business and Investment Committee.

In line with the Group's differentiation and innovation pillars, the Committee supported key initiatives for the expansion strategy on the following key areas:

- Review of the progress of the omni-channel project with focus on the fronts of the content manager, customers, orders and discounts, highlighting the advances and benefits delivered to the organization and awaiting its conclusion in 2021

- It analyzed the positive effects on the organization's results and especially on the EBITDA margin of the different conversions to the Éxito Wow and Carulla Freshmarket formats for the 2021 plan.
- Presentation of the 2021 investment plan with a net value of COP 365,000 million
- Analysis of the conversion potential of the Carulla Freshmarket format and Éxito Wow, in line with the positive performance of the 11 Éxito Wow and 14 Freshmarket stores
- Performance monitoring during 2020 of Éxito, Carulla, Surtimayorista, Super Inter businesses
- Follow-up to retail expansion that, for its last estimate of 2020, will close with nine projects between conversions and reforms
- The rethinking of the Viva brand's customer care strategy and the creation of initiatives resulting from the macroeconomic change of COVID19: "Click and Collect," "Deliveries" and "Viva Online."
- Follow-up to the implementation schedule, payments and profitability of the transformation project derived from the sale of Parque Industrial Montevideo for a value of COP170,000 million
- Renegotiation and termination of the Éxito Calle 80, resulting from the non-favorable conditions in the costs of occupancy. This will result, during 2021, in a plan to move the corporate offices of this headquarters, the strategy of retention of customers, the restitution of the premises to the Grupo Kala and the plan of closing this Éxito store.
- The monitoring of the performance of the shopping centers and the consolidation of Viva Malls as the leading fiduciary vehicle in the development and operation of commercial real estate assets under the Viva brand, which, as of November 2020, closes with a GLA of 569,361 m², a market value of COP2,5 billion and recognition of LEED Gold certification for Viva Tunja and LEED Platinum for Viva Envigado, as the most sustainable shopping center in Colombia.

SUSTAINABILITY COMMITTEE

During 2020, the Sustainability Committee followed up on the updating of the Corporate Sustainability Policy and the policies and declarations associated with it, as well as the projects that mobilize the strategy.

The following work carried out by the Committee during the period is worth highlighting:

- Approval of the update of the Sustainability Policy and its associated policies.
 - Human Rights Policy
 - Climate Change Policy
 - Packaging and container Policy
- Follow-up of the social corporate MEGA (Large and Ambitious Strategic Goal) whose objective is to eradicate chronic malnutrition by 2030 in Colombia.
- Follow-up and update of the environmental corporate MEGA that proposes the reduction of 35% of the carbon footprint for year 2023.
- Creation of the sustainability monitoring system through follow-up to the Strategic Indicators Board.
- Follow-up to local and direct purchasing programs, highlighting work in municipalities most affected by poverty and violence (PDET municipalities), in partnership with the national government and civil society organizations that promote new inclusive business models.
- Approval of the results of the annual carbon footprint measurement, follow-up to the climate strategy and updating to the corporate environmental mega.
- Approval of the risks associated with the sustainability strategy.
- Follow-up of the implementation of the model of diversity and gender inclusion and equity.

- Follow-up to each of the sustainability strategy challenges:
 - Zero malnutrition
 - Sustainable Trade
 - Mi Planeta (My Planet)
 - Healthy Lifestyle
 - The success of Grupo Éxito is in its people
 - Somos Íntegros
- Follow-up of the implementation of models associated with the protection of livestock biodiversity and sustainable palm oil.

Board of Directors and Senior Management Assessment [GRI 102-28]

Pursuant to the Corporate Governance Code, the company conducts an annual assessment process to evaluate:

- The quality of the members of the Board of Directors and its committees
- The individual performance of each one of the members
- The overall performance of each respective governmental body

A mixed contribution and performance evaluation system has been established for this assessment, which involves alternating the type of evaluation between internal and external each year.

In 2020, the external evaluation process was to be carried out; however, considering that the Board of Directors had recently been appointed (on January 23) and that, as a result of the health emergency arising from COVID-19, there were some matters in the process of consolidation, the Board of Directors, after positive evaluation by the Appointments, Remuneration and Corporate Governance Committee, authorized to dispense with the evaluation under the currently defined model. This decision was due to the circumstances that referred to the fact that it was not appropriate to conduct an evaluation of the Board of Directors that would generate a value analysis for the company's management and shareholders.

Notwithstanding the above, an internal analysis was carried out whereby the members of the Board of Directors informed the management of the company, in addition to the strategic issues that said body and its committees should address in 2021, strengths in the functioning of the Board of Directors and opportunities for improvement.

Based on this analysis, the following strengths are highlighted:

- Extensive knowledge of the company's business and experience of its members. The value of their contributions is highlighted by virtue of the technical and multidisciplinary knowledge they possess.
- Composition of a heterogeneous and diverse board in professions, nationalities, experience and gender of its members.
- Open atmosphere of deliberation among members of the Board of Directors that allows constructive and positive exchanges for the company.
- Adequate implementation of technological mechanisms suitable for conducting non-face meetings under the terms of Article 19 of Law 222 of 1995.

Members of the Board also highlighted timely access to the information required to conduct the analyzes and oversight the deliberations necessary for decision-making.

Regarding opportunities for improvement, the following are mentioned: the striking of a balance between face-to-face and non-face meetings when conditions are appropriate and achievement of a closer and more knowledgeable relationship between the members of the Board, since, as a consequence of the pandemic, not all conditions were given for them know each other in greater depth.

TRANSACTIONS BETWEEN RELATED PARTIES

Decisions by the Board of Directors about transactions between related parties and conflict of interest situations

In accordance with Article 34.4 of the company's Bylaws, it is the responsibility of the Board of Directors to define the regulations governing the evaluation and authorization of transactions between related parties.

In compliance to the aforementioned, the Board approved, in January 2016, the Transactions Between Related Parties Policy, which is also the seventh chapter of the Corporate Governance Code and regulates the identification, classification, evaluation, approval, revelation and follow-up on such transactions. This policy can be reviewed in Chapter 7 of the Corporate Governance Code by clicking [here](#).

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

- Satisfying the interest of the company and not causing it any harm
- Offering better service, better prices or better conditions to the company's customers
- Generating value for the company
- Not undermining or putting at risk the capacity of the Group to fulfill its obligations to third parties
- Respecting the rights of minority shareholders
- Transparency
- Promoting the exploitation of synergies in accordance with the limitations and restrictions established by law

In addition to said policy, in 2018, the Audit & Risks Committee approved the procedure for the proper treatment of the company's transactions between related parties, which can be reviewed by [visiting](#).

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

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

Transactions between related parties made in 2020, correspond to revenue from the sale of goods and services, as well as to costs and expenses related to risk management and technical assistance support, and to the purchase of goods and services received. The most relevant transactions between related parties in 2020 were the following:

- With respect to GPA, the company received revenues of COP 93 million, which correspond to the reimbursement of personnel expenses.
- There were transactions that generated income from the Casino Guichard Perrachon S.A. companies, primarily from (i) the provision of services for COP 7,891 million, and expenses primarily for the provision of energy-efficient services and intermediation in the import and purchase of merchandise for COP 44,363 million.

- As regards to the national subsidiaries, the main transactions carried out correspond to income from (i) sale of goods to Éxito Industrias S.A.S.; (ii) the provision of administrative services to Almacenes Éxito Inversiones S.A.S., Transacciones Energéticas S.A.S. (formerly GEMEX O&W S S.A.S.), Logística, Transporte y Servicios Asociados S.A.S. and Patrimonios Autónomos; and (iii) leasing of property to Patrimonios Autónomos and Éxito Viajes y Turismo S.A.S. The income from these transactions surpassed COP56,042 million.
- The costs and expenses generated with domestic subsidiaries for COP363,527 million are mainly due to (i) purchases of merchandise and goods for commercialization from Éxito Industrias S.A.S.; (ii) transportation services received from Logística, Transporte y Servicios Asociados S.A.S.; (iii) leases and property management with Patrimonios Autónomos; (iv) the purchase of corporate plans to Almacenes Éxito Inversiones S.A.S., and (v) services received, purchase of goods and reimbursements with the other subsidiaries.
- As regards to joint ventures, the company obtained revenues of mainly COP21,911 million for (i) bond and coupon yields and energy with Compañía de Financiamiento Tuya S.A., (ii) participation in the business collaboration agreement with Compañía de Financiamiento Tuya S.A., (iii) leases of real property to Compañía de Financiamiento Tuya S.A., (iv) the provision of services to Compañía de Financiamiento Tuya S.A., and (v) the provision of services to Puntos Colombia S.A.S. The costs and expenses generated with joint ventures of COP87,161 million were mainly due to the cost of the loyalty and liability management program to Puntos Colombia S.A.S., and the commissions generated from payment methods with Compañía de Financiamiento Tuya S.A.

- Finally, with other related parties, such as the case of the Board members, expenses were generated from the provision of services (fees) amounting to COP1,736 million. It should be noted that the company did not enter into any transactions with members of the Board of Directors other than the payment of fees described above.

The breakdown of transactions with related parties can be consulted in note 37.2 of the individual Financial Statements.

Conflicts of Interest [GRI 102-25]

The Company's Bylaws define the responsibilities of the Board of Directors with respect to conflicts of interest as follows:

- Investigate and manage conflicts of interest that arise between the company and its Shareholders, Board members and Senior Management
- Approve policies to manage conflicts of interest and use of privileged information by any employee
- Regulate the creation and operation of the Conflict of Interest Committee

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

- 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 situation.
- 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 situation.

- Following prior authorization from the Board of Directors, 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.
- Verify that operations are carried out according to fair market conditions and do not compromise equal treatment of shareholders.

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Conflicts of Interest that Arose, Action of Board Members, and Mechanisms to Resolve Conflicts of Interest between Companies of the Same Conglomerate and their Application during the Fiscal Year

The main activities carried out in 2020 that demonstrate this compliance are described below:

a. Reports defined for the Board of Directors and Senior Management Quarterly Report of conflicts of interest:

To report and identify potential conflicts of Board of Directors members the Board of Directors and Senior Management were requested on a quarterly basis 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

In order to analyze the reported situations, the Conflicts of Interest Committee was formed on the basis of the reporting structure of the conflicts of interest subject to analysis, according to the guidelines established in the policy that regulates it. For the specific case of the members of Senior Management, the Conflicts of Interest Committee was composed of the Audit and Risks Committee of the Board of Directors, as provided for in the Conflict of Interest Policy contained in the Code of Ethics and Conduct.

c. Management and resolution mechanisms for conflicts of interest

The company, oriented toward promoting a culture of transparency in relationships between the members of the Board of Directors and of the Senior Management for the timely communication and

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The Company has adequate mechanisms for the report, analysis and management of conflicts of interest disclosed by the Company's Board of Directors, Senior Management, complying with the policy that regulates this issue.

the proper management of those situations in which their objectivity and independence may be affected, it favored spaces and tools for reporting conflicts of interest. The reported situations consist mainly of the participation of a relative in boards of other companies or entities, as well as the shareholding in other companies with possible links with the company.

In the face of these reports, recommendations were issued by the respective Conflict of Interest Committee for the adoption of the relevant actions and measures with a view to the solution and administration, to guarantee objectivity and impartiality in the proceedings and to protect the reserve of confidential and privileged information of the company. In addition, the members of the Board of Directors who, due to the positions they hold, could be involved in potential conflict of interest situations, abstained from participating in the evaluation, discussion and voting for the corresponding decision.

None of the situations they reviewed affected the overall operations of the company nor were they of such a magnitude that they made it impossible for the employees involved to fulfill their work obligations. None of the employees reporting the cases were forced to resign.

RISK MANAGEMENT SYSTEM

Internal Control System and its modifications during the year

Grupo Éxito, during the year 2020, continued to carry out activities in favor of strengthening the internal control system, in accordance with the provisions of the Corporate Governance Code.

Of the components deployed by the system, the following points are highlighted during the year:

Control Environment

The control environment operates within the established guidelines of the Bylaws, the Corporate Governance Code and the policies and procedures. It is also backed up with a strong commitment performance, led by Senior Management and supervised by the Board of Directors and its supporting committees.

- The company reviewed the strategy, challenges, and initiatives that guide it toward strategic pillars, objectives, mission, and corporate values.
- In the context of the contingency arising from the COVID-19 pandemic, the company adapted the structure, operating model and structuring of its processes in an agile manner, maintaining the principles of responsibility, authority and commitment needed to ensure compliance with internal control in an environment of innovation and flexibility for different stakeholders.
- The company applied corporate governance standards, consolidating good practices and building value relationships with stakeholders.
- The company initiated the redesign of the process of risk and control self-assessment (Autocontrol Program) as an enabler and value enhancer in operational risk management and as



The company's Senior Management affirmed its commitment to diversity, inclusion and equity in the workplace; this commitment, which began in 2018, promotes initiatives that foster the culture of respect for legitimate differences in age, gender, skills and ethnicity.

a support to tactical and strategic risks in line with the new organizational dynamics. In addition, it applied the principle of self-control, in which the process owners are responsible for monitoring the risks of their processes and for applying the corresponding controls.

- The company continued to advance the continued adoption of best practices and standards for preventing the risks of fraud, bribery, corruption, money laundering and terrorist financing, complying with local standards and international regulatory requirements that are applied indirectly by its parent company.
- The company strengthened its Personal Data Protection Program, an issue that continues to be seen as a strategic risk and has the highest level commitment of the organization to its management.
- The adoption of the Personal Data Protection Program was aimed at complying with the applicable regulations and recommendations of the authority for personal data treatment, as well as at strengthening respect for the right to privacy from the stage of design of the new strategies, especially those originating as part of the new normality.
- In October 2020, the company was awarded the Silver Seal “Implementing Actions for Equality” of the “Equities” Labor Equity Program by the National Government.
- The company’s Senior Management confirmed its commitment to diversity, inclusion and equity in employment. This commitment, which began in 2018, promotes initiatives that foster a culture of respect for legitimate differences in age, gender, capacity and ethnicity. As part of this, it complemented the guidelines of conduct set forth in the Code of Ethics and Conduct with actions aimed at promoting diversity and rejecting any discrimination between all its stakeholders.

Risk Management

The Risk Management System of Grupo Éxito is administered from the Risk Management Department, part of the Vice Presidency of Corporate Affairs and is responsible for designing and implementing the methodology and risk model at different levels of the organization and promoting the culture of risk management.

The system has a risk policy that establishes the overall framework for action and a risk management guide that contains the model and methodology aligned with the ISO 31000 standard. Progress in risk management is presented in the chapter on description of the risk policy and its implementation during the financial year.

Control Activities

Control activities are framed within internal policies and procedures for process management and are characterized by a permanent search for operational optimization and excellence, technology and digital transformation in processes and the application of methodologies for continuous improvement.

- Throughout the year, the company implemented the control framework under Sarbanes Oxley Act (SOX) compliance standards, due to the simplification of the Casino Group structure in Latin America region, where Grupo Éxito changed its position as a significant component of the Companhia Brasileira de Distribuição (CBD) listed on the New York Stock Exchange.
- The company continued to apply mechanisms to optimize processes, with practices such as Six Sigma, Lean, and Agile, among others.
- The company has management systems that strengthen the control system, mainly related to occupational safety and health, road safety, BASC (Business Alliance for Secure Commerce) and OAS (authorized economic operator, for its acronym in Spanish) for its logistics and transport operations.

In addition, within the framework of the contingency, it obtained Icontec certification in biosecure operations for the Carulla and Éxito Express brands.

- Focusing on omni-channel and digital strategy, the company has advanced on the implementation of technological tools and operational processes that enhance business sustainability in a control environment with compliance with internal policies and current regulation.
- Advances were made in technological solutions to facilitate collaborative and remote work through isolation conditions, allowing business continuity, digital connectivity, information management and interaction between users and equipment with information security and technology controls.
- The company advanced on the upgrade of Éxito and Carulla mobile applications to be in line with customers' new consumer habits, gain greater transaction assurance control for sales, discounts and means of payment and boost the use of available technology.
- Grupo Éxito increased its store formats with technologies focused on improving service, processes and controls as part of the purchase experience.



28,787 employees were trained

in the Guardianes Éxito (Éxito Guardians) virtual module, a training program that explains the concepts and risk events in these three thematic areas of compliance.

Compliance

The company, committed to the promotion of articulation and compliance with the various legal norms for the promotion of business ethics among its different interest groups, the prevention of money laundering and terrorist financing risks, as well as compliance with the legal provisions on the protection of personal data, it details below, the main activities carried out in these three compliance programs during year 2020.

TRAINING AND AWARENESS [GRI 205-2]

With a view toward integrating employees to the management and prevention of the risks of fraud, bribery, corruption, money laundering and terrorist financing, as well as compliance with the applicable rules on the protection of personal data, during 2020, the company trained 28,787 employees in the Guardianes Éxito (Éxito Guardians) module, an innovative training program in which, in close proximity, through everyday cases occurring in the context of a family, risk concepts and events are explained in these three areas of compliance.

In addition, the company trained 2,403 operational employees in the system of prevention and control of money laundering and terrorist financing and conducted 569 targeted training for employees who are part of areas with the greatest exposure to possible breaches of personal data protection regulations.

In addition to the above, 2,943 suppliers of goods, services and products were informed about the Transparency Program, through the newsletter **Nos acerca** — disclosed to suppliers through the corporate website, in which key and fundamental guidelines that make up the Transparency Program were shared and how, from their task, suppliers contribute to the generation of transparent and sustainable relationships.

MANAGEMENT OF THE TRANSPARENCY PROGRAM

During 2020, the company consolidated the Transparency Program as an integral part of the strategic sustainability pillar **Somos íntegros**, which aims to promote a culture of transparency and integrity, by exalting the role of employees and other interest groups as part of the commitment of zero tolerance to fraud, bribery and corruption in any form.

In accordance with the provisions of the parent company, the company advanced in the project for risk mapping of fraud, bribery and corruption, under the guidelines established in the French Sapin II Law and the requirements of the French Anti-Corruption Agency (AFA), these are in harmony and consistent with the applicable national regulations. The purpose of this exercise was to identify, throughout the processes that integrate the company's value network and from the exercise of the employee's functions, the level of exposure to the risks mentioned, as well as the controls implemented for their mitigation.

As part of the management carried out during 2020, the following activities are highlighted:

Communication

The company, in constant implementation of actions aimed at generating value relationships, gave continuity to the usual annual internal campaign of communications in transparency, under the concept **“Soy transparente,”** aimed at all employees of the company, including the national subsidiaries. The purpose of this campaign was to recognize, in every leader, and every employee how each one can from his role to the generation of transparent and sustainable relationships, based on the coherence between what we say, think and do. In turn, the news and updating of related policies and procedures were disclosed to employees.



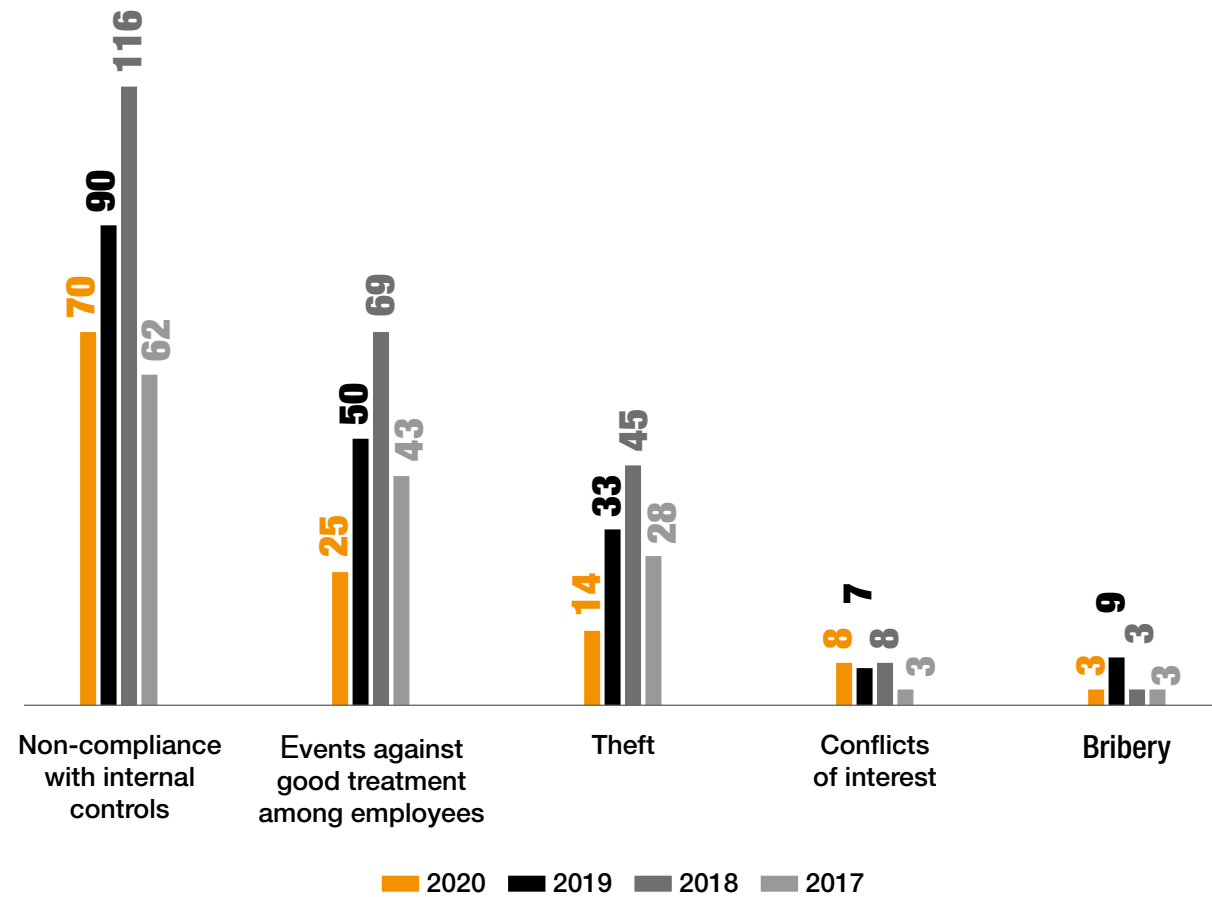
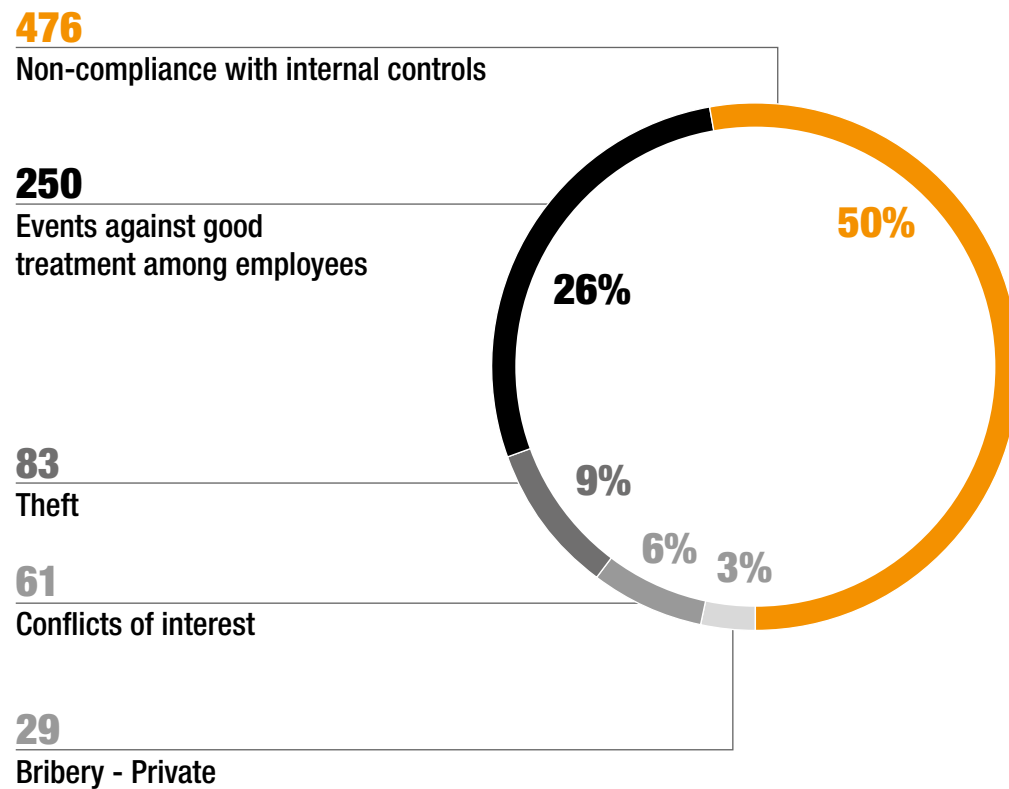
[GRI 102-29] [GRI 102-17] Reporting Channels

One of the structural pillars of a strengthened anti-corruption program is the reporting channels, which operated permanently through telephone lines, e-mail and web ethical forms. These channels are widely disclosed and administered by an independent and specialized third party, who guarantees confidentiality and the possibility of anonymity of the person who makes the report; in addition, the Transparency Program defines that no complainant shall be subject to reprisals or sanctions for the sole fact that he or she has denounced it.

[GRI-205-3] In this way, the company received and investigated 949 reports for alleged failure to comply with the provisions set out in the Transparency Program and other policies and procedures that develop it during 2020, which is reflected, mainly, in the following five typologies:

All reports, without exception, were evaluated and investigated by their respective internal manager, with the accompaniment of the compliance area, under the guidelines and supervision of the Operation Committee to Combat Fraud and Corruption.

As a result of the application of the research framework, 14% of the cases concluded were verified. The five main typologies were: Non-compliance with controls, acts against the good treatment of employees, theft, conflict of interest and bribery, reflected in the last four years:



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In the face of the events found, relevant measures were taken in accordance with the consequences provided for in the Code of Ethics and Conduct to punish violations of transparency. The following actions were exercised: 52 disciplinary measures consisting of reprimanded or warnings and suspension, 32 administrative decisions for termination of the employment contract, 6 judicial actions and 3 actions with suppliers. It is important to note that none of the events have a bribery or corruption case been set up with a public official, or a loss or material affectation to the company, and the company currently has no ongoing administrative or judicial investigation into bribery or corruption.

- **Management of employee conflicts of interest:**
In addition to the management of conflicts of interest described in the chapter concerning the members of the Board of Directors and of the Senior Management, the company, in its continuous management of healthy relationships, sustainable and objective among employees and different stakeholders, promoted the importance of the application of the Conflict of Interest Policy in the roles and activities of employees where objectivity and impartiality in decision-making might be affected.
Thus, in 2020, it leveraged on the annual day of declaration of conflicts of interest, a record of 974 declarations with possible conflict of interest was reached; the largest number of situations correspond to the category of “working with a relative or affective partner in the company” with a 49% of cases.
On the reported situations, the Conflict of Interest Committee, for levels 3 to 7 of the corporate structure, made recommendations for the proper management of the possible risks in which employees in conflict situations can be immersed, in order to guarantee, in this way, the prevalence of the interest of the company on the particular interest.

- **Relationship with the government:** In the exercise of the activities for the management of the interests of the company, especially in the relationship with the public servants, the guidelines and protocols established in the Policy of Relations with Public Servants were followed, approved by the Board of Directors and included in the Code of Ethics and Conduct.
Since 2015, the company has not made donations to campaigns, candidates or political movements. Contributions to non-profit entities, for the purpose of supporting social and sustainable initiatives related to the company’s Sustainability Policy, and which amounted to a value of COP1,983,241,22, attended to the guidelines and procedures established in the Donations Policy and its associated procedures, to ensure management within the framework of the Transparency Program.

MANAGEMENT OF THE PROGRAM FOR THE PREVENTION OF MONEY LAUNDERING AND TERRORIST FINANCING

In compliance with the policy for the prevention of money laundering and terrorist financing risks, the company carried out due diligence processes based on risk management, with the aim of mitigating the possibility of establishing links with third parties associated with them. In addition, in the exercise of due diligence, it made progress in designing mechanisms to assess and measure the effectiveness of the treatment measures implemented for the management of this risk.

Similarly, it complied with the provisions of the applicable regulations concerning legal reports to the authorities, which include the management of internal reports of unusual operations, the reporting of suspicious transactions of which it was aware, and the other reports established in the standard.

In the framework of the certification process as an authorized economic operator (OEA, for its acronym in Spanish), the requirements and measures to comply with the project's requirements for the prevention of money laundering and terrorist financing were evaluated and implemented.

Due diligence processes were automated in the process of selection of personnel and e-commerce payments, which allowed to improve the opportunity in response times and decrease the margin of human error.

MANAGEMENT OF PERSONAL DATA PROTECTION PROGRAM

In developing the corporate commitment to the protection of personal data, the company carried out actions aimed at effective compliance with the provisions established in the regulations in force in the field, based on the principle of continuous improvement of its processes to provide its stakeholders with an adequate treatment of the personal information to which it has access in the development of its social object.

As part of the above, the company deployed activities that aim at the constant search for opportunities for improvement of the effective protection of the right to privacy and *to habeas data* of data owners. The following activities are highlighted:

- **Senior Management Commitment:** The Personal Data Protection Committee met periodically and provided guidelines for compliance with personal data protection framework in new businesses, projects or events that represent a material risk to the company. In addition, the company strengthened the incorporation of privacy principles into the design, operation and management processes of the organization's systems to achieve a comprehensive protection framework for the protection of personal data.
- **Risk-based approach:** The company has defined non-compliance with the data protection framework and privacy policies as a strategic risk, on which control measures were established for its mitigation. In addition, the Risk Matrix was developed, which was endorsed by the Personal Data Protection Steering Committee and presented to the Audit and Risk Committee of the Board of Directors. In this way, considering the criticality of the risk events evidenced, a work plan for their mitigation was designed and implemented.
- **National Database Registry – RNB (for its acronym in Spanish):** The company has complied with the legal duty to update the databases registered in the National Database Registry (RNBD).
- **Managing *habeas data* queries and claims:** All requests made by data owners through channels used for the exercise of *their data rights* were handled in accordance with established procedures. In 2020, 9,140 applications were received. The most recurring

request type is Data Update 45,37%, followed by Communication Preferences 31,24% and Customer Creation Requests 15,26%.

- In addition, it highlights compliance in terms of the legal duty to report to the National Database Registry (RNBD) of the claims submitted by the holders in the first and second periods of 2020, corresponding to 5 claims regarding the exercise of the right to *habeas data*, on which the company advanced all the relevant requirements for its proper attention.
- Furthermore, the company met the requirements of the personal data protection authority in a timely manner and sought to demonstrate its continuing orientation to the implementation of the principle of demonstrated responsibility. In 2020, no sanctions were filed for violation of the personal data protection framework.

INITIATIVES IN WHICH GRUPO ÉXITO PARTICIPATES

- The company is still a member of the Antioquia Compliance Officers Committee, an initiative made up of major real-sector companies whose aim is to share experiences and best practices for the prevention of compliance risks on money laundering and terrorist financing, fraud, bribery, corruption and personal data protection.
- In 2020, the company entered into a cooperation agreement with the Latin American Compliance Network, which aims to share good compliance practices. The network is made up of public and private sector companies and is led by the International Institute of Anti-Corruption Studies.
- The company also participated as speaker in the II Compliance Congress | Chamber of Commerce of Medellín and OlarteMoure, in which was able to share experiences on how compliance programs are a value-generating tool within companies.

Information and Communication

- During the year, communication channels enabled the reception of complaints operated uninterruptedly.
- The operation of the Company is supported by platforms and information and communication systems as part of a framework and centralized government of the Group, which also manages the risk of information security.
- The Company's Senior Management maintained contact with key collaborators and third parties to report relevant issues in the framework of the COVID-19 contingency and the operation of the business. The main topics included health issues, biosafety, human resource management, operations, omnichannel, new projects and financial and commercial results. In addition, it has internal support committees for the management of the company's key business, processes and risks.
- During the year, the company, within the framework of the pandemic, promoted communication campaigns and internal training to promote and strengthen elements of corporate governance structure and processes, compliance with the main regulatory regimes and good practices in some relevant risks such as information security, health and biosafety, which became more relevant.
- As usual, the company conducted the annual transparency communication campaign, inspired by the promotion of consistency in the ethical conduct of the company and its members. Through this campaign, updates to the Transparency Program policies and procedures were disseminated.
- The Disclosure of Financial and Non-Financial Information Policy was applied and the communication of information was coordinated based on the Disclosure of Information Policy and good corporate governance practices.

Monitoring and Supervision

- The support committees of the Board of Directors— Audit and Risk, Financial, Sustainability, Business and Investment, Appointment, Remuneration and Corporate Governance—carried out their functions of managing and monitoring important elements of the company’s government.
- The Audit and Risk Committee supported the Board of Directors in the supervision of financial information and reporting, risk management, internal audit management and fiscal review, relevant internal control and regulatory compliance issues, transactions between related parties and conflicts of interest within their competence.
- To address common purposes, Grupo Éxito and CBD audit committees have worked together on oversight tasks.
- Internal Audit served as independent assurance of compliance with corporate governance standards and regulations, risk and control management, and major strategic projects. Likewise, the processes of the company were audited within the framework of a risk-based plan and previously put to the consideration of the management and the Audit and Risk Committee, with greater emphasis on processes impacted under the framework of the COVID-19 contingency, to support the achievement of business objectives covered by the Group’s national and international entities.
- Furthermore, Internal Audit also supports the company in the investigation of possible fraud cases submitted via reporting channels. Recommendations were made from the assessments, and action plans were established with Senior Management and process leaders to improve the design and operation of the Internal Control System.
- The External Audit Firm, Ernst & Young Audit 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 addition, in 2020, the company emphasized on SOX compliance assessment.

- The Audit and Risk Committee oversaw the significant facts resulting from the Via Varejo investigation. Its conclusion does not have any relevant impacts related to alleged accounting irregularities and deficiencies in internal control.

Description of the risk policy and its application during 2020

Risk management contributes to the sustainability of the company, its continuity and the fulfillment of its strategic objectives, through a systematic and approved process of risk and opportunity management.

The policy for comprehensive risk management sets out the purpose, scope, principles and overall framework of action for comprehensive risk management within the corporate governance scheme defined by the company. It describes the different levels of risk management, which include the strategic, project, business, and process levels.

The risk management methodology is an integral part of the policy and is based on the ISO 31000 standard. The methodology in turn refers to six main stages including context setting, risk identification, analysis, risk assessment, treatment and monitoring, and review, in order to define the management measures necessary to reduce the likelihood of risks and their economic and reputation impact.

IMPLEMENTATION OF RISK POLICY DURING 2020 [GRI 102-30]

The past year has brought unprecedented challenges and has driven companies to take action immediately. That is why, during 2020 and to promote long-term sustainability, the company constantly sought new opportunities and demonstrated a resilient culture that allowed it to manage those risks that might impede the achievement of its objectives in the short and medium-term.

In order to comply with the risk policy and to ensure the continuity and sustainability of the business, during 2020, and with the participation and leadership of Senior Management, an analysis of the main risks and trends was carried out in the light of the new normality, thus obtaining a new profile of strategic risks, which in turn extended to the different businesses of the company. Strategic level risks and their management measures were reviewed periodically by the Audit and Risk Committee and validated by the Board of Directors.

In addition, as part of the improvement of the Crisis Management Plan, a new protocol was created for the attention of cybersecurity events and adjustments were made to the current model. With regard to the Business Continuity Plan and considering the current context, new processes considered critical to the BIA (Business Impact Analysis) and related mainly to the direct food trade business were added.

In addition, during the year, an awareness process was advanced with 15 risk managers responsible for managing specific and prioritized operational risks in the organization, which permeate different processes and therefore require cross-cutting management. In this way, progress was made in accompanying four of these managers for the implementation and approval of the risk methodology, which enabled the identification and characterization of 22 risks in total.

The Department of Integral Risk Management, with the support of areas specialized in cross-cutting issues, carried out risk workshops framed in different strategic projects of the

company, evaluating a total of 33 risks. In addition, in procurement risk management advanced with the renegotiation of the insurance coverages, under technical and economic conditions available to the suppliers, as well as in the negotiation of a collective lease policies for the locatees and dealers of stores, galleries and shopping centers.

During the year, the company implemented a new comprehensive audit model for **164** private label suppliers in Colombia, which assessed the risks associated with the following:

- Recruitment of child labor
- Forced labor
- Diversity and Inclusion
- Disciplinary practices. Harassment and abuse
- Freedom of association and complaint mechanisms
- Working hours and overtime
- Occupational health and safety
- Quality and safety
- Environment

In addition, the company audited **12** international private label suppliers, under the multi-sectoral initiative ICS (Initiative for Compliance and Sustainability), seeking to improve working conditions in the international supply chain.

In addition, the company analyzed **12** processes supporting the international supply chain, and studied **37** risks in total, including the identification of its controls and treatment plans related mainly to IT monitoring and control systems, operations logging, training and disclosure, security inspections, report and documentation.

STRATEGIC RISKS [GRI 102-15]

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

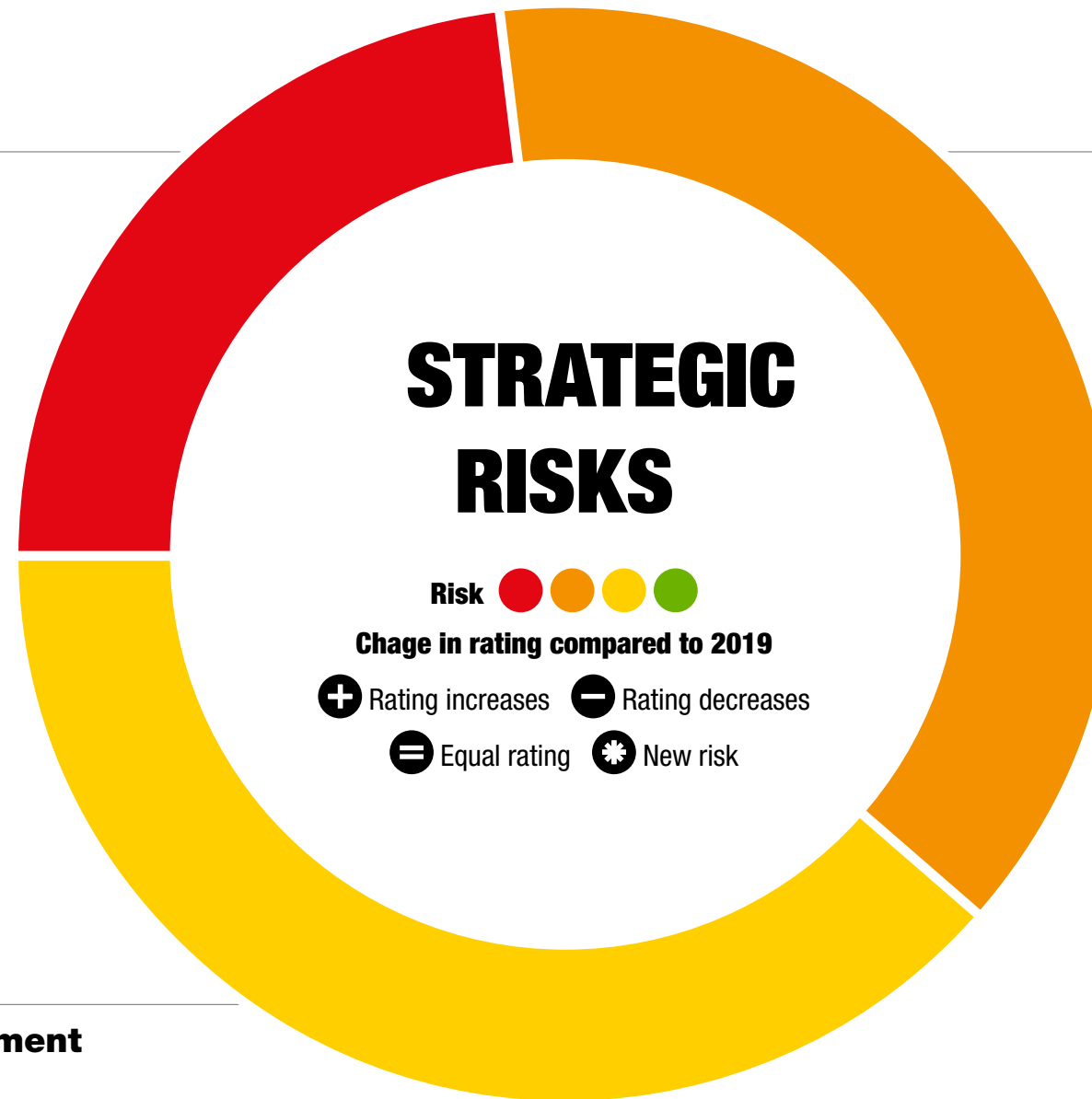
1. **⊕ Macroeconomic:**
Prolonged recession with rising unemployment rates leading to changes in consumer capacity
2. **⊖ Political and Legal, and Country Situation:**
Deterioration of public order and regulatory uncertainty in the countries of operation
3. **⊛ Cybersecurity:**
Disruption of critical company processes and/or commitment of digital information due to an attack on through technological means

Risks monitored by the Senior Management and informed to the Audit and Risks Committee when they are outside the risk appetite versus risks annual assessment.

- | | | | | |
|--|---|--|---|--|
| <p>9. ⊕ Financial:
Pressures on the company's liquidity that generate constraints on strategic programed investments, as a result of financial constraints resulting from the new reality</p> | <p>10. ⊛ Demand behavior:
Lack of adaptation to the new trends that respond to the acceleration of the process of de-globalization by the spread of the COVID-19</p> | <p>11. ⊖ Human Resources:
Long periods of confinement that could lead to talent leakage and low retention capacity of staff</p> | <p>12. ⊖ Retail Operation:
Possible massive negative impact on customers due to quality and safety incidents</p> | <p>13. ⊖ Natural Hazards:
Increase in severity of extreme weather events, change in precipitation patterns and extreme climate variability affecting supply, logistics and consumption behavior</p> |
|--|---|--|---|--|

Risks monitored by Senior Management and informed at the Audit and Risk Committee

4. **⊕ Information Technology:**
Obsolescence of critical equipment supporting the operation for its omni-channel strategy and innovation formats
5. **⊖ Market Share:**
Material losses of market share in the food business
6. **⊖ Information Security:**
Leakage of critical or sensitive information such as customer or employee database, strategic and/or financial
7. **⊖ Compliance - *habeas data*:**
Failure to comply with the framework of protection of personal data in the development of business strategies
8. **⊛ Safe environment and biosafety:**
Possible flaws in the implementation of biosafety protocols



STRATEGIC RISKS

Administrative measures for priority risks

MACROECONOMIC

- Measures to ensure energy efficiency and optimization of energy rates
- Implementation of methodology for zero-based budgeting
- Exchange rate coverage for US dollar procured services

POLITICAL, LEGAL, AND COUNTRY SITUATION

- Strengthening the crisis management and training plan

CYBERSECURITY

- Evolution of operational to predictive monitoring and control management in corporate clouds.
- Detection and removal of trademark impersonation

EMERGING RISKS

Emerging Carbon Pricing Standards and Regulations

Description: Possible increase in the cost associated with carbon footprint management in response to new carbon pricing regulations. Also, new standards required by the market regarding the communication and transparency of the actions implemented by the company in this field.

Main mitigation actions:

- Development of initiatives for renewable energy replacements
- Reduction of refrigerant gases
- Purchase of solar energy production for on-store demand

Biases in algorithms

Description: Possibility of incurring economic or reputational effects due to bias in algorithms in different areas such as human resources, financial services, marketing, among others.

Main mitigation actions:

- Consideration of a multidisciplinary perspective in the review of systems equity, including social and human science professionals as sociologists and psychologists
- Construction of a good practice guide for those models using personal data
- Establishment of an Artificial Intelligence ethics committee

MAIN BUSINESS RISKS

Safe environment and biosafety	Possible failures in the implementation of biosecurity protocols that generate low perception of security by clients and employees, affecting the confidence of different stakeholders
Failure to meet customer expectations	Ability to breach commitments made with customers, suppliers and third parties in the stated promises
Loss	Possibility of economic losses due to higher inventory decline as expected
Unavailability of critical information systems	Possibility of interruption of operations in the company affecting the continuity and generating economic losses
Prevention of money laundering and terrorism financing	Possibility that the company will be used for related offenses with money laundering and/or financing of terrorism
Environmental - Weather events	Increase in severity of extreme weather events, change in precipitation patterns and extreme climate variability affecting supply, logistics and consumption behavior

MATERIALIZATION OF RISKS DURING THE FISCAL YEAR

- Economic losses related to property damage of approximately COP340 million, associated with social mobilizations during the month of September 2020, resulting in affectations to buildings, assets and looting of goods.
- Negative effects on different businesses as a result of the situation generated by COVID-19, mainly in financial, textile, tourism businesses and by discounts granted to tenants of the real estate business.

TRANSFER OF RISKS AND RETENTION INITIATIVES

Within the company’s risk management is the transfer of those viable risks to treat under a scheme of traditional mechanisms or insurance policies, with which it is sought to cover mainly risks of severity and not frequency, such as the affectations to company property, the liability of managers, internal and external fraud, property liability for damage to third parties, cyber risk, and risks arising from the contracting of goods and services.

During the year, progress was made in the calculation of PML (Probable Maximum Loss) in order to identify its maximum exposure to risk and thus define the limits for an optimal transfer of risk. Further progress was made in quantifying fraud and cyber security risks, identifying the level of risk assumed by the company and defining the best alternatives for its transfer.

GENERAL SHAREHOLDERS MEETING

Extraordinary meeting of the General Shareholders Meeting

On January 23, 2020, an extraordinary meeting of the General Shareholders Meeting was held, with 17 participants (among present and represented shareholders), holders of 440,504,270 shares and a quorum of 98,41%.

MAIN DECISIONS

During said meeting, the General Shareholders Meeting adopted the following decisions:

- Approved the proposed election of the members of the Board of Directors for the 2019 - 2021 period presented by Sendas, as follows:

#	Non-Independent members
1	Ronaldo Iabrudi dos Santos Pereira
2	Peter Paul Lorenço Estermann
3	Christophe José Hidalgo
4	Rafael Russowsky
5	Bernard Petit
6	Philippe Alarcon

#	Independent members
1	Luis Fernando Alarcón Mantilla
2	Felipe Ayerbe Muñoz
3	Ana María Ibáñez Londoño

- The meeting agreed to retain the allocation of fees of the Board of Directors approved by the General Shareholders Meeting on March 27, 2019, for the period 2020-2022, as set out in the remuneration section of the Board of Directors and Senior Management, as set out above.

Ordinary meeting of the General Shareholders Meeting

On March 19, 2020, the ordinary meeting of the General Shareholders Meeting was held, with the participation of 20 participants (among present and represented shareholders), holders of 440,507,845 shares and a quorum of 98.41%.

In line with the decisions made by the National Government, the declaration of public calamity and the sanitary emergency throughout the Region of Antioquia, decreed in March in the face of the risk of expansion of the COVID-19 virus, and considering the limitation of the number of attendees to any event in the country (maximum 50 people), the company was authorized by the Financial Superintendency of Colombia so that the shareholders who voluntarily wished to grant a power with the sense of vote in front of each of the proposals submitted to its consideration could be granted to one of the agents that the company placed at its disposal.

The above-mentioned strategy was implemented with the purpose of adopting preventive measures for the protection of the health of those attending said meeting in the following terms:

- i. Its adoption by shareholders was voluntary and did not generate any charge at their expense. In addition, this measure did not prevent shareholders who so wished to choose to grant power to any other person who was in their trust, who, in accordance with the current regulations, could not be an employee or administrator

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of the company and who could enter the meeting of the General Shareholders Meeting provided that the maximum number of attendees allowed had not been exceeded in accordance with the current guidelines.

- ii. The conditions for the granting of powers were clearly, sufficiently and timely reported on the corporate website and by means of a press release published in two newspapers of wide national circulation. They were made available to shareholders on the corporate website:
 - The models of power that could be used.
 - The list of proxies suggested by the company along with a description of its profile, so that the decision on the granting of power was made in an informed manner. It should be noted that, in compliance with Article 185 of the Colombian Commerce Code, the agents were neither employees nor administrators of the company.
- iii. A corporate email was enabled for the receipt of the powers by the shareholders, as was the delivery of the powers to the company's premises on the day of the meeting.
- iv. The necessary controls were implemented to ensure the legality of the powers granted and to minimize the potential risks of implementing this measure.

MAIN DECISIONS

During said meeting, the General Shareholders Meeting adopted the following decisions:

- Approved the Board of Directors and CEO Management Report
- Approved the Annual Corporate Governance Report
- Approved the individual and consolidated financial statements as of December 31, 2019, together with their attachments and other legally required documents
- Approve the following profit distribution proposal:
 - v. Allocate the net group share result for the period ended December 31, 2019, which amounts to fifty-seven thousand six hundred and two million two hundred and ninety-six thousand one hundred and forty-seven Colombian Pesos (COP57,602,296,147.00) to increase the reserve for future expansion and improvements.
 - vi. Remove a sum equivalent to one billion ninety-one thousand two hundred fifty-nine million three hundred twenty-two thousand four hundred and eight Colombian Pesos (COP1,091,259,322,408.00) from the reserve for future expansion and improvements, under the terms of Article 453 of the Commerce Code.
 - vii. Distribute as a dividend an amount equivalent to one billion ninety-one thousand two hundred fifty-nine million three hundred twenty-two thousand four hundred and eight Colombian Pesos (COP1,091,259,322,408.00).
The total amount decreed corresponds to an annual dividend of two thousand four hundred thirty-eight pesos per share (COP2,438.00) for the four hundred forty-seven million six hundred four thousand three hundred and sixteen (447,604,316) outstanding shares.
- Approve the following proposal in terms of donations: Authorize the CEO of the company, to appropriate the reserve of "future expansion and improvements," the sum of one thousand six hundred and three million four hundred and eighty thousand three hundred and twenty Colombian Pesos. (COP1,603,480,320), to make donations under the policy and procedure.

- Approved amendment to the company's bylaws to adjust the wording of Article 58 (Board Committees) in accordance with Article 45 of Law 964 of 2005.
- Approved the proposal for the re-election of EY for the provision of Statutory Auditor services for the period 2020-2022.
- It approved the proposal of the Statutory Auditor's fees for up to six thousand one hundred and eighty-nine million five hundred thousand four hundred thirty-five Colombian Pesos. (COP6,189,500,435) for the period 2020-2022.

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

The activities required for adequate development of the General Shareholders Meeting in 2020 were different to 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 in order for shareholders to have a greater time period to familiarize themselves with the matters to be discussed. The company's bylaws and the rules of procedure for the General Shareholders Meeting establish a 30-day call period for ordinary meetings and 15 calendar days for extraordinary meetings⁵, higher than those officially required.
- The Ordinary General Shareholders Meeting held on March 19, 2020, was called on Friday, February 14, 2020.
- The company granted the shareholders a term of five calendar days following the call to the ordinary meeting of the General Shareholders Meeting, which began on February 15, 2020, and ended on February 19, 2020, to: (i) propose the inclusion of one or more points on the meeting's agenda, (ii) submit new proposals for decisions on matters included in the agenda, and (iii) request additional information or raise questions about said matters.

- In order to provide equitable treatment to its shareholders, on February 26, 2020, the company published a proxy template form on its corporate website that included the vote on each of the items on the agenda to be discussed and/or approved at the Ordinary General Shareholders Meeting held in 2020, so that shareholders could indicate to their proxies how they would vote.
- The company published the call for the Ordinary General Shareholders Meeting (i) in a widely distributed local and national newspaper; (ii) through the relevant information mechanism provided by the Financial Superintendency of Colombia; (iii) in the offices of Fiduciaria Bancolombia, which manages the Company's Shareholder Department; (iv) on the corporate website; and (v) in the newsletter (News to Investors) sent by the Investor Relations Department.

5. Colombian legislation states that the call for the ordinary meeting of the General Meeting of Shareholders must be made at least fifteen (15) working days in advance, and in the case of extraordinary meetings, at least five (5) calendar days (Commerce Code, Article 424).

Actions Taken during the Year to Encourage Shareholder Participation

During 2020, the company fully complied with Circular Externa 028 of 2014 published by the Financial Superintendency (Country Code Survey) and provisions of the company's Bylaws and Corporate Governance Code in terms of timely sending clear and complete information to shareholders and with adequate notice regarding the General Shareholders Meeting. In this way, the company encourages the shareholders' participation and guarantees respect of their rights.

The following activities were carried out to promote the participation of shareholders in 2020:

- Four publications on quarterly results
- Four teleconferences on quarterly results
- Two meetings of the General Shareholders Meeting: one ordinary and one extraordinary
- A call with a local pension fund
- A visit from an international investor
- Ten online conferences on market issues capital and corporate governance
- Twenty-three calls with local and international analysts and investors

Information and communication to stockholders

In January of 2016, the company Board of Directors crafted the Financial and Non-Financial Information Disclosure Policy, which is in the fifth chapter of the Corporate Governance Code.

The purpose of this policy is to provide the company's interest groups with information of the status, evolution and progress of its business units so that their members will have enough knowledge to make wise decisions.

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

The following documents were published on the corporate website, in the section of the "Shareholders Meeting" for the meeting held on January 23, 2020:

- Call
- Proxy template forms for legal entities and individuals
- Press release inviting shareholders to submit their lists of candidates for Board of Directors
- Presentation of a proposal by Sendas for the election of the Board of Directors for the 2020- 2022 term
- Evaluation report of candidates to form the Board of Directors
- Curriculum Vitae of candidates to form the board of directors and letter of application and acceptance. In addition, in the case of independent members, there is their declaration of independence
- Board of Directors remuneration proposal

The following documents were published on the corporate website, in the section of the “Shareholders Meeting” for the meeting held on March 19, 2020:

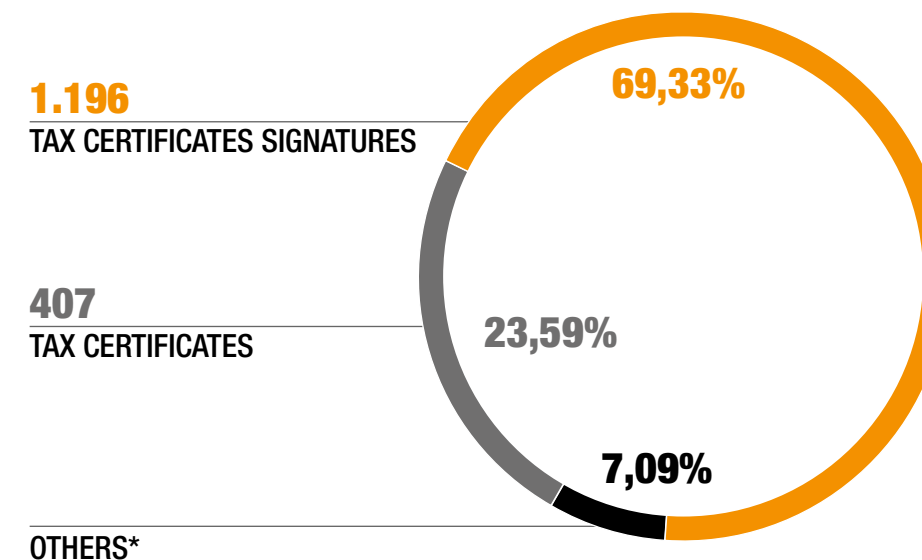
- Call
- Proxy template forms for legal entities and individuals
- List of proxies suggested by the company given the health emergency
- The conditions for granting powers to the proxies suggested by the company in the face of the health emergency.
- The description of the profile of each proxy suggested by the company in the face of the health emergency
- The press release published in a newspaper of wide national circulation and a local one, in which the conditions for the granting of powers to the agents suggested by the company in the face of the health emergency were reported
- Management Report
- Corporate Governance Report
- Sustainability Report
- Financial Statements as of December 31, 2019 together with their attachments and other legally required documents
- Profit distribution proposal
- Donations proposal
- Proposal to amend the Company’s Bylaws
- Re-election proposal for the Statutory Auditor.
- Statutory Auditor fees proposal

During 2020, the company published 38 press releases through the relevant information mechanism of the Financial Superintendency. By way of these the company informed the markets on important decisions made by the Board of Directors and the General Shareholders Meeting, the signing or modification of relevant contracts, the quarterly and annual performance of the company, and matters related to the proposed corporate reorganization of Sendas and GPA.

Number of Requests and Matters on which Shareholders have requested Information from the company

The company addressed the requests of approximately 119 shareholders in a timely manner during 2020. Out of these, 10 were in-person visits and 109 were telephone calls through Fiduciaria Bancolombia, which manages the Company’s Shareholder Department.

In addition, 1,725 shareholder requests were handled, including rights of petition, related to the following matters:



* Secondary data update (0.93%), change of title due to update (1.10%), rights of petition (0.23%), historical certificates (0.58%), embassy certificate (0.06%), Deceval entry certificate (0.99%), general certificates (0.64%), transfers (1.04%), dividend payment updates (1.22%), information news updates (0.06%), Éxito exchange (0.23%).