

Envigado, April 23, 2020

RISKS GENERATED BY THE COVID-19 PANDEMIC AND ACTIONS FOR THEIR MITIGATION

Almacenes Éxito S.A. (the "Company") informs its shareholders and the market about the plan of activities that it has developed to manage the potential risks generated by the COVID-19 pandemic (the "Pandemic"), which could impact the operation and / or results of the Company, its national and international affiliates and subsidiaries ("Grupo Éxito"), and the mitigation strategies and actions implemented.

The Company formed a Crisis Committee in charge of the permanent and coordinated management of the possible risks from the Pandemic, based on the implementation of permanent strategies for the impacts mitigation.

Impacts derived from the Pandemic

Starting from a context reading and a timely analysis led by the Crisis Committee, the Company has been preparing to mitigate risks associated with: (i) the protection and care of employees and customers, (ii) sales of some products and services, (iii) the import and export levels, (iv) the income from the real estate business and its subsidiary Éxito Viajes y Turismo S.A.S. ("Viajes Éxito"), (v) the behavior of Tuya's financing business, (vi) the possible decrease in employee productivity, (vii) preservation of the employment, (viii) fluctuations in the stock market, (ix) the prices of some products, (x) variations in exchange rates, and (xi) the supply and service chain.

However, given that this is an unprecedented economic, social, ecological and health emergency, it is not yet possible to accurately estimate the impacts that this Pandemic may finally have on the Company.

Risk mitigation measures and good practices

The pillars of Grupo Éxito's framework for action comprising mitigation strategies and actions implemented, are set out below:

- 1. A call for solidarity:** the Company has generated several initiatives to promote solidarity among Colombians and the support for those who are not receiving their income due to the Pandemic. These are some of the initiatives:
 - Donations of 74,000 grocery baskets through Fundación Éxito for Early Childhood, made up from contributions from customers, suppliers, partners and employees, in 29 departments and 116 municipalities of the country.
 - Grupo Éxito and its Foundation participated in the "Donatón" in Bogotá and in the similar activity promoted by the Mayor's Office of Envigado.
 - Launch of the "Mercados para Colombia" card to donate for those in need that can be purchased at stores or on-line. The Company contributes with COP\$ 5,000 for every COP\$ 50,000 collected to a social work.

- The Company offered 600,000 grocery baskets made of 12 basic products at cost price (COP\$ 16,000 each), so that customers with better economic conditions can contribute to those in need.
- Extended opening hours in stores and exclusive service for the highest risk group, from 7:00 a.m. and until 8:30 a.m. (elderly, pregnant women and disable people).
- Launch of the 'White Line' ("Teléfono blanco") for free and priority home delivery service, exclusively for healthcare professionals.

2. Measures for our employees and clients: Grupo Éxito has implemented the following actions for our clients and employees guaranteeing their physical security:

- Basic hygiene kit delivered to 34,000 employees at stores to guarantee their and our customer's safety.
- Provision of acrylic lenses to cashiers.
- Provision of non-contact electronic thermometers to take the temperature of the employees at the beginning of their workday, in order to control one of the main symptoms of the disease and be able to take the measures if necessary.
- Installation of acrylics in the payment points to avoid contact between clients and collaborators.
- Additional benefits and a special bonus for employees at stores and distribution centres as a recognition of their effort and commitment.
- Massive implementation of working-from-home for our employees.
- Measures at stores for the permanent disinfection and cleaning of stores, restrooms, high traffic areas and shopping carts and baskets.
- Measures at stores to guarantee the minimum distance between customers in line with current regulations, when entering stores and at tills.
- Signage in the payment points for minimum distance in queues and provision of antibacterial gel in all stores.
- Strengthening of security measures both in the logistics chain and the stores and permanent monitoring of possible alterations of public order to protect the integrity of employees and customers, as well as of the operation.

3. Preservation of employment:

- Approximately 40,000 employees of Grupo Éxito in the country are operating the 100% of their capacity in stores, distribution centers, the food industry and the transportation company, with the commitment to keep the country supplied. The employees of corporate headquarters are almost entirely working-from-home, supporting the activities of the operation.
- Grupo Éxito has transferred nearly 370 employees from the shopping centers and Viajes Éxito operations to to the business units of greater operational relevance and to the call center of the home deliveries services.
- Anticipated payment on March of more than COP\$ 75,000 million due in April, to 100% of our small and medium suppliers (867 SMEs) due in April, to improve their cash flow and facilitate the continuity of their operation and the preservation of employment. They will receive this benefit as long as the emergency situation persist.
- About 50 of textiles manufacturing workshops that manufacture Grupo Éxito's own brand clothing have switched to the production of masks, producing to date 20 million masks and protecting more than 3,400 jobs.

4. The supply:

- Self-regulation agreement for Colombian trade sector signed through the “*Federación Nacional de Comerciantes*” – FENALCO (National Federation of Merchants) to rationally manage prices and regulate the trade in order to guarantee order and social distancing, ratifying the Company’s commitment to the protection of public health, food safety, the supply of basic products, the preservation of employment and economic activity to favour the proper management of the emergency.
- Grupo Éxito is making great efforts hand in hand with employees, suppliers and allies, to keep the country supplied and thus try to have the best possible assortment for its clients in products from the grocery basket in approximately 550 stores in the country.
- Setting of 2 stores in Bogota and Medellin exclusively operating for the distribution and supply of the 200 more-purchased-products during the emergency.
- Guarantee access to products with purchase limits of masks, antibacterial gel, alcohol and gloves.
- Strengthening of the pricing process at stores and with suppliers to mitigate involuntary errors and prioritization of purchasing of less affected products by devaluation.

5. The operation:

- Strengthening of e-commerce channels, home deliveries and apps for our clients to purchase from their homes.
- Strengthening of other sales services, such as the “*Compra y recoge*” (Buy and pick up) service through which customers request products through our different channels to be picked up in stores, minimizing the risk of contact and complying with all hygiene, cleaning and disinfection protocols,.
- Prioritization of purchases towards products less affected by the increase in the dollar.
- Delivery service prioritizing the use of electric vehicles to help mitigate air pollution.
- Consolidation of a work team for the monitoring, analysis and implementation of the regulation that is issued daily at national and local levels because of the emergency, in order to guarantee the compliance of Grupo Éxito with them.
- Reduction of expansion plans as a mechanism for the protection of cash, emphasizing the projects that were already in progress at the time of the declaration of the emergency.
- Reassignment of investment plans focusing the strategy on strengthening Grupo Éxito’s strategic projects related with the Omni channel.

Grupo Éxito ratifies its commitment to continue developing its activities and operations in order to keep the country supplied, working to protect the health of clients and collaborators, preserving employment and operating our Company in the best possible way and hand in hand with suppliers, to contribute to the needs that the country requires at this time by our stakeholders.

Finally, the Company informs that the financial impacts and risks generated by the emergency will be disclosed in the financial statements and their respective notes with a cut-off every quarter during the course of the emergency. Information regarding the first quarter of 2020 will be disclosed on May 11, 2020.