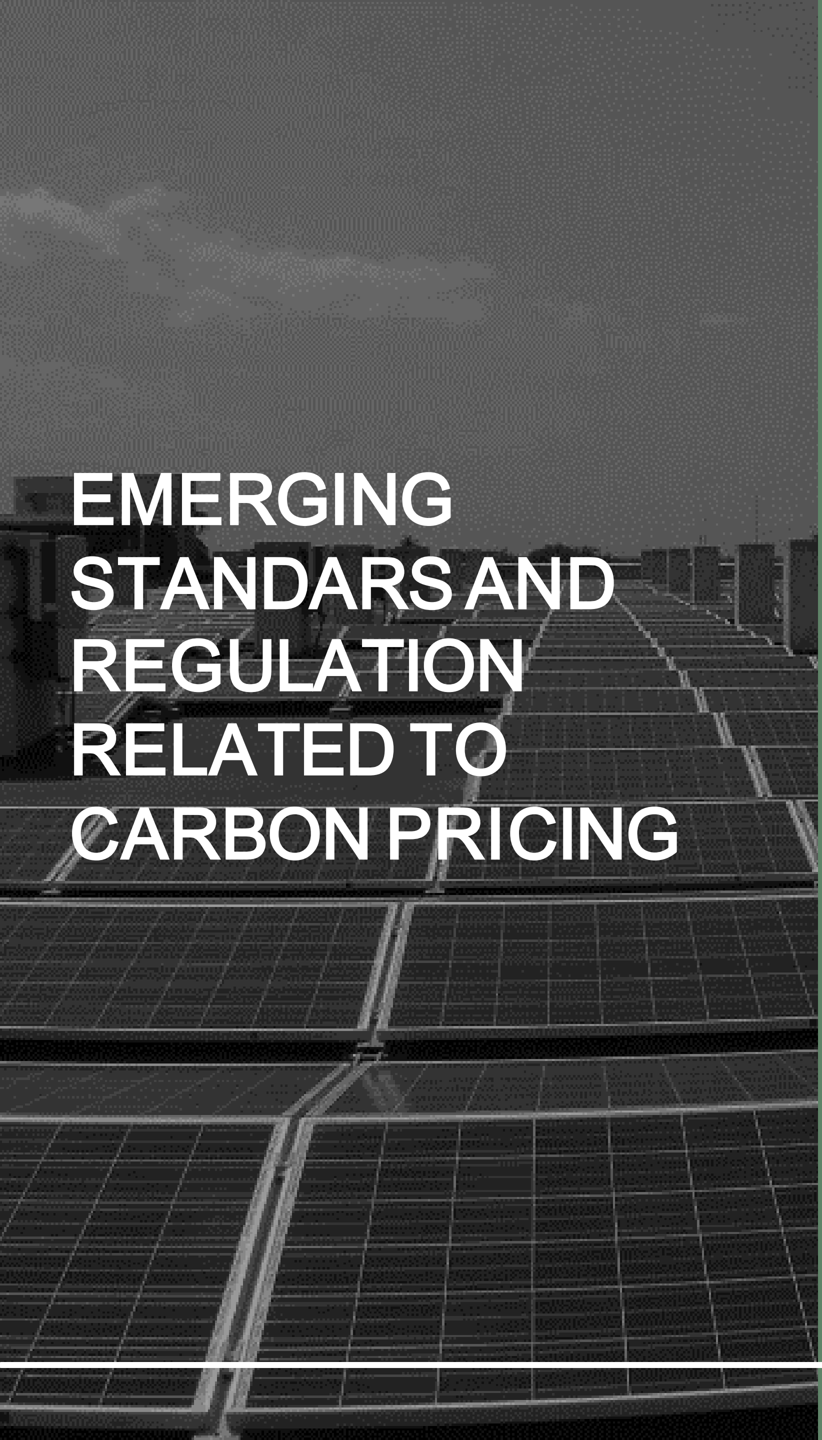

EMERGING STANDARS AND REGULATION RELATED TO CARBON PRICING

Increase in the company's carbon emission management expenses in response to the possibility of a new regulation related to the carbon pricing and new practices required by the market associated with communication and transparency about the actions implemented by the company in this matter

IMPACTS AND MAIN CAUSES

- Additional expenses linked to new taxes or investments seeking a decrease in enterprises carbon footprint
- Damage in reputation for a company inadequate adjustment to the new standards

MAIN CURRENT MITIGATION ACTIONS

- Reduction of refrigerant gases in 95% for 2030, thanks to a replacement refrigerant plan to reduce the company's carbon footprint
- Environmental responsibility annual statement and communication
- Climate change policy
- Some VIVA shopping malls have received Leadership in Energy & Environmental Design Certification
- Development of initiatives related to replacements for renewable energies sources
- A solar power purchase agreement to supply energy in six medium stores – location: Bayunca, Cartagena, Colombia

MAIN MITIGATION ACTIONS IN PROGRESS

- Solar farm development to provide energy for the air conditioner in 27 stores - Petalo de Cordoba 1 located in Planeta Rica, Colombia
- Two solar plants tenders operating under PPAPPA (power purchase agreement) mode, located in two parking stores (Éxito Popayan Panamericana and Éxito la Flora Cali)
- Create an internal carbon prince sensitive model
- Installation of solar energy (12mg) to provide 24 stores (2022 -2023)
- Create an awareness plan for customers related to the Company's actions to reduce emissions

BIAS IN ALGORITHMS

EMERGING RISK

- Algorithms are a set of rules followed by a computer to achieve a goal and make decisions.
- if data or rules established are mistaken, a bias decision can be made. Deviations could be associated with biases inherent in data, company culture, analysts or the application of machine learning techniques
- Currently, the company is using algorithms in different departments starting with human resources, financial services, and marketing

IMPACTS AND MAIN CAUSES

If the company is not able to manage algorithmic bias properly, it could:

- Damage reputation: gender discrimination or impact in minority population
- Nullity of activities that caused any discrimination
- Economic losses: Claim damage in compensation for any injury, fines, and sanctions

MAIN MITIGATION ACTIONS

- To include a multi-disciplinary perspective in the review of the fairness of the system, made by humanities thinkers such as sociologists and psychologists
- Create a guide to good practices for models that use any personal data (in progress)
- Set up an Artificial Intelligence Ethics Committee (in progress)