



Tax Policy

Almacenes Éxito tax policy is aligned with our Corporate Governance Code, which provides the framework for the relationship among the different stakeholders and aims for transparency and proper information management and the officials' responsibility.

Éxito tax strategy is also aligned with our Code of Business Conduct, which develops the principles of the Code of Good Governance for Éxito' employees, implementing the disclosure of financial information and transparency policy regarding Éxito and its subsidiaries financial statements.

Taxes are paid in accordance with all relevant rules and regulations in force in Colombia.

Our tax strategy also efficiently supports the operation and consolidation of procedures and protocols for transparency and management accountability, implementation and regulatory compliance which in turn results in the best interest of its shareholders.

We believe that a coherent and responsible tax strategy is an essential element of sustainability.

Based on this background, we have adopted the following tax principles, which are essential for the proper management of our strategy:

Compliance:

Taxes are paid in accordance with the rules and regulations of Colombian tax authorities, seeking to comply not only with the letter but also with the spirit and of the law. Likewise, our employees must comply with the Code of Conduct, in this sense Éxito has zero tolerance for tax avoiding practices.

Relationship with tax authorities:

We promote an open, constructive and respectful dialogue with the tax authorities, based on all relevant facts and circumstances. We do not try to avoid taxes through "artificial" structures in tax havens and we are permanently open to share information with them.

Rational Business:

Taxes are paid according to businesses rational develop under arm's length principles and using the available tax and law benefits paying the related taxes.

Transparency:

Éxito tax approach is handled with a philosophy of transparency. Disclosures are made in accordance with the provisions of the existing Colombian rules as well as information requirements and IFRS.

Transfer Pricing:

The Company and its subsidiaries comply with the application of the arm's length standards, regarding the valuation of the cross border transactions between related companies.

Taxable profits are not artificially shifted out of their jurisdiction and the tax base reported by the Company reflects the economic activity undertaken therein.

Planning:

The tax planning execution looks toward avoiding the economic double taxation; and take advantage of tax benefits establish in the law therefore the taxes are paid in accordance with all relevant regulations.