



*Sustainable initiatives that contribute to social development, growth of suppliers, protection of the environment, promotion of healthy habits and well-being of our employees*



## **Sustainability Report**

*Grupo Éxito, the only  
Latin American retailer  
to be included in the Dow Jones  
Sustainability Index of the  
Emerging Markets category*



# Sustainability Report

*In 2018, we continued to contribute to the country's development*



**Together with Fundación Éxito, we work to mobilize public and private actors to achieve the first generation in Colombia with zero chronic malnutrition by 2030, as a way to fight social inequality.**



**We are committed to Colombia's development.** Our bet is that our small, medium and large suppliers, find in us an ally that allows them to grow and strengthen.



**We hold ourselves responsible for our impact on the environment by measuring, mitigating it and compensate for it.** Together with our customers, employees, suppliers and allies, we develop strategies to generate awareness and protect the environment.



**We care about our customers' and employees' health and welfare.** We provide information that helps our customers and employees make better decisions, by offering them a product portfolio with a healthy profile and by promoting physical activity.



**We are proud of our employees.** We leverage our employees' talent, by assisting them in fulfilling their professional and family goals as well by promoting an attractive, diverse and inclusive work environment, where they can work with commitment and pride.

*Our sustainability strategy is framed within good governance practices, ethics, and transparency and due diligence*

## Materiality Analysis

We updated the Company's materiality analysis and identified relevant issues related to environmental, social and economic topics for our different stakeholders.

All of our interests groups included customers, suppliers, leaders of opinion, media, employees, Board of Directors and

Senior Management, along with technical analysis of the sector and references with worldwide leaders in commerce. They allow us to have results that confirm the Company's sustainability strategy is aligned with the material issues identified by them as stakeholders.



### Description of material issues

#### Strategic Topics

- 1 Democratization of healthy life-styles**  
We offer to our customers a healthy portfolio with products for special needs, organic and healthy food. Likewise, we give information to ease customers' decision making.
- 2 Attraction, Retention and Development of Human Talent**  
Technical and human training for our employees to facilitate their professional and personal growth. We also make sure that they receive appropriate compensation, a complete benefit portfolio and remote-work options.
- 3 Social Responsibility in the Supply Chain**  
We help in the development of our small, medium and large suppliers and our Surtimax and Super Inter partners, promoting associativity and cooperatives. We also generate strategies that strengthen local and direct purchasing.
- 4 Prevention and Proactive Action in the Mitigation and Adaptation of Climate Change**  
We develop initiatives to measure, mitigate and compensate environmental emissions from our operations.
- 5 Circular Economy**  
Generate a process of disposal of used packages and containers for our private labels, exclusive brands and national suppliers. Also, generating initiatives to achieve eco-efficiencies in packaging.
- 6 Strategic Social and Philanthropic Investment**  
We develop, generate and invest resources to reach our Gen Cero Mega Goal: To achieve the first generation with zero chronic malnutrition by 2030.

#### Relevant Issues

- 7** Responsible and Sustainable Production and Consumption Practices
- 8** Diversity and Inclusion
- 9** Protection of Natural Resources (inside Grupo Éxito)
- 10** Workplace Health & Safety

#### Emerging Issues

- 11** Environment Responsibility in the Supply Chain
- 12** Geopolitical Environment in the Region
- 13** Human Rights
- 14** Sustainable Construction
- 15** Economic Development where we have Operations
- 16** Food Waste
- 17** Rural Migration
- 18** Economic Performance
- 19** Real Estate Management
- 20** Tax Contributions



Together with Fundación Éxito, we work to mobilize public and private sectors to achieve the first generation in Colombia with zero chronic malnutrition by 2030; a way to fight social inequality

*We work on these fronts to achieve this:*



**Generation and Divuligation of knowledge**



**Generation of alliances and resources**



**Communication and awareness**



**Influence in public policy**



*Diosebeth Cerén is one of the 26,000 mothers who receive nutrition and education assistance from Fundación Éxito to help eradicate chronic malnutrition by 2030*

**Our commitment to Gen Cero contributes to the Sustainable Development Goals**



## More children with better nutrition in Colombia

More than **63,400** children in **27** departments received better nourishment thanks to Fundación Éxito's programs.

➔ **22% more children than in 2017**



*Families who participate in Fundación Éxito programs receive food packages or gift certificates for food they can use in Company stores*

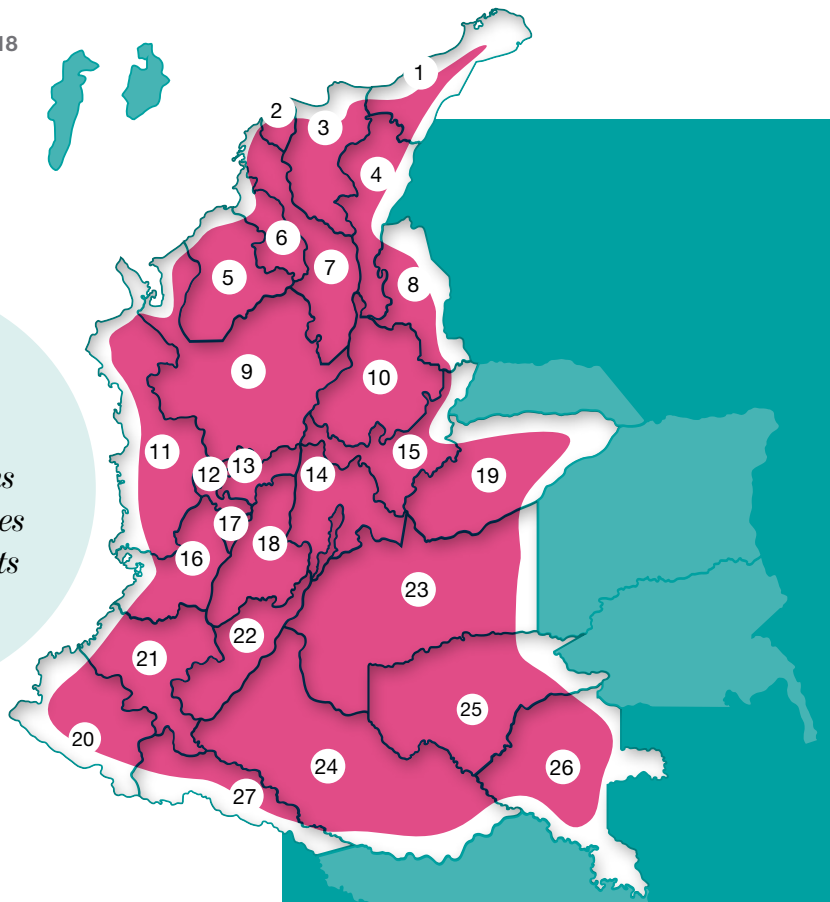


*“Fundación Éxito aid has been very valuable for us, because with the educational programs and food we receive, they are helping us carry our children forward”*

**Diosebeth Cerén**, mother who benefits from Fundación Éxito, attended by Fundación Arka in Tierra Bomba, Bolívar.



Click here  
for complete  
testimony



More than **110** partner institutions in **123** municipalities and **27** departments

**Nutrition and comprehensive care for children below the age of five**

More than **26,100** children in their first 1,000 days of life received better nourishment through Fundación Éxito.

**↗ 47% more than in 2017**

More than **6,900** children ages 2 to 5 received nutritional care.

Around **30,400** children in other programs (reading, music, educators' training).

- |                       |                     |
|-----------------------|---------------------|
| 1. La Guajira         | 14. Cundinamarca    |
| 2. Atlántico          | 15. Boyacá          |
| 3. Magdalena          | 16. Valle del Cauca |
| 4. Cesar              | 17. Quindío         |
| 5. Córdoba            | 18. Tolima          |
| 6. Sucre              | 19. Casanare        |
| 7. Bolívar            | 20. Nariño          |
| 8. Norte de Santander | 21. Cauca           |
| 9. Antioquia          | 22. Huila           |
| 10. Santander         | 23. Meta            |
| 11. Chocó             | 24. Caquetá         |
| 12. Risaralda         | 25. Guaviare        |
| 13. Caldas            | 26. Vaupés          |
|                       | 27. Putumayo        |



**Intentions that reinforce our goal to reach the first zero chronic malnutrition generation in Colombia**

More than **COP 19,700** million invested in nutrition and complementary care of children

**4,6%**

**COP 1,394 million**

Donations made by Grupo Éxito

**3%**

**COP 959 million**

Donations from suppliers and partners, 39 companies joined Gen Cero, 31 of them are our own suppliers

**16%**

**COP 4,740 million**

Own resources

**0,4%**

**COP 125 million**

Other contributions

**51%**

**COP 15,583 million**

Donations from Grupo Éxito



**COP 12,238 million**

Sale of recycled material donated by Grupo Éxito



**COP 2,045 million**

In-kind donations from Grupo Éxito and commercial campaigns



**COP 1,100 million**

Grupo Éxito donations approved by shareholders

*Fundación Éxito had a total revenue of*  
**COP 30,300**  
*million thanks to the support of multiple partners*

**25%**

**COP 7,506 million**

Donations from customers (Goticas, change and piggy banks)



### Tax benefits for donors

More than **193,000** donation certificates were delivered to customers who contributed Goticas and with change at cash registers in order to reduce chronic malnutrition



Click here to learn how Goticas are changed into food for children





*The first 1,000 days of life are the most important for the physical, neurological and emotional development of a child, which makes an appropriate nutrition in this period a matter of vital importance*

### Fundación Éxito strengthens ties to reach Gen Cero

**Fundación Éxito generated new partnerships and strengthened existing ties to motivate inter-sectorial articulation as a way to achieve Gen cero:**

- › We are still **ambassadors for Colombia to the Zero Hunger Sustainable Development Goal**. This strategy seeks enough healthy nourishment to help end hunger and malnutrition by 2030.
- › We generated an **international cooperation alliance with the European Union** to execute the Integral Rural Development Project for peace in Guaviare through the delivery of nutritional supplements and the promotion of healthy lifestyle habits in **200** families.
- › In partnership with **17** business foundations in Antioquia, we established an alliance for the improvement of life conditions in communities suffering from poverty and armed conflict in San Luis y San José de Urabá.
- › We led the **creation the NiñezYa movement**, alliance of more than **100** organizations in civil society to include children and teenagers rights in Colombia's National Development Plan 2018-2022.





*Since 2015, more than 28,000 mothers have participated in Fundación Éxito's Lactatón, a public event that aims to promote breastfeeding as the most effective way to eradicate chronic malnutrition in Colombia*

### Breastfeeding, the most nutritional act of love

In 2018, more than **12,000** breastfeeding women attended the fourth Lactatón in more than **30** municipalities.

➤ **18% more than in 2017**

More than **9,300** hospitalized premature babies benefited from the "Alimentados Donando Leche" campaign that promoted the donation of breast milk to **15** specialized breast milk banks with the support of Fundación Santa Fe de Bogotá and the Colombian Ministry of Health.

### An Award for those who work in favor of childhood nutrition

During Childhood Nutrition Month, the **15th Childhood Nutrition Award ceremony** was held to award the actions from private and public organizations, health institutions and the media which promote childhood nutrition.

**15** awards were granted to **9** companies and media and **6** of our stores, recognized in the "Almacenes Amigos de la Nutrición Infantil" category.

## Food surplus recovery thanks to the contributions of Grupo Éxito

More than **1,900** tons of food and non-alimentary products donated to **18** food banks and **34** institutions

More than **519,000** people benefited  
↗ **3,900** more people than in 2017

*Grupo Éxito is the retailer company that donates more food in good condition to be used by food banks*



*Fundación Saciar is one of the food banks that receive food and products in good condition to donate them to organizations in the country that assist vulnerable populations*

## Recycling with a social purpose

We donated **COP 12,200** million to finance investment programs led by Fundación Éxito, generated from selling more than **22,600** tons of recyclable materials

## Fundación Éxito financed the REAGRO Program to recover agricultural surpluses

More than **3,400** tons of food that is not sold but suitable for human consumption were recovered in Antioquia aided by Fundación Saciar, within the framework of REAGRO Program, which is financed by Fundación Éxito to prevent food loss.

Thanks to the positive results, the REAGRO school made the food surplus recovery program massive in another **16** food banks in the country.



*“We thank Grupo Éxito and Fundación Éxito because they have helped to impulse the REAGRO Program by rescuing thousands of tons of fruits and vegetables directly from harvests and crops in the field, contributing to zero food loss”*

**Pedronel Giraldo Araque**, Fundación Saciar  
Director

### Articulation with local governments to achieve Gen Cero

Fundación Éxito provided assistance to **7** municipalities and **1** department to strengthen their business capabilities and prioritize actions to contribute to the health and nutrition situation in early childhood

### Donar Te Queda Bien

We delivered more than **830** clothing items donated by customers to food banks and institutions that benefit vulnerable populations. This is an initiative of our textile business

### In 2018, we achieved:

- › Fundación Éxito coverage in 27 departments in the country
- › More than 63,400 children assisted with nutrition and complementary programs
- › Leveraged 91% food delivered to food banks, thanks to good management

### In 2019, our challenges are:

- › Maintaining assistance coverage to children in nutrition programs
- › Effectively influence in the National Development Plan in favor of establishing programs to prevent and assist chronic malnutrition
- › In partnership with Bogotá Mayor's Office, define an assistance plan for children in the country's capital with chronic malnutrition



**We are committed to Colombia's development.**  
We bet that our small, medium and large suppliers find in us a partner that will enable them to grow and strengthen

*We work on these fronts to achieve this:*



**Direct local trade**



**Develop our suppliers and partners**



*Lidia Díaz, farmer associated to ALSur, one of the organizations from which Grupo Éxito purchases directly in Nariño, by letting producers gain greater benefits in price and productivity*

**Our commitment to sustainable trade contributes to the fulfillment of the Sustainable Development Goals**



We build value relationships with our suppliers; more than:  
**4,300** Real Estate  
**3,100** Commercial  
**1,300** of goods and services  
**100** textile industry

## We buy local fruits and vegetables

**92%** of the fruits and vegetables sold in our stores are acquired in the country

**82%** are acquired directly from more than **670** Colombian farmers

→ We keep our commitment to direct local trade



*Pedro Antonio Ochoa, farmer from Toca, Boyacá*



*“The direct sale to Grupo Éxito has enabled farmers to gain percentages that were previously kept by intermediaries. Producers have constant sales, fair payments and plan to have a permanent production to improve their quality of lives and their families”*

**Adriana Martínez**, AISur manager, Association of Producers in Nariño from which Grupo Éxito direct trade.



Scan to see  
the AISur  
experience

## Partnerships with organizations to strengthen buying without intermediaries



### Comproagro

Eliminates the middleman between farmer and buyer thanks to digital entrepreneurship.

We buy directly from **120** producers in Antioquia, Boyacá and Cundinamarca. More than **640,000** units sold.

↗ **177% growth from 2017**



### Salvaterra

Develops farming projects with communities to generate their production capabilities.

**90** former homeless people in Medellín grow lettuce they sell at our stores. More than **25,000** units sold.

↗ **47% growth from 2017**



### Clinton Foundation

Creates direct market opportunities for small farmers and offers training to develop and strengthen their production processes.

More than **210** producers benefitted in Antioquia, Atlántico, Bolívar, Cauca, Cundinamarca, Risaralda and Valle del Cauca. More than **2.1** million units sold.

↗ **1.4% growth from 2017**



### Asociación de productores agropecuarios de San José del Guacal

Unionizes agricultural producers and guides them in the process of growing and selling their products.

**35** potato growers in Boyacá.

More than **34,900** product units acquired under the National Government framework: “Coseche y venda a la fija” that supports sustainable agriculture.

## We offer Colombian meat and fish

We buy **87%** of our meat in Colombia, from more than **100** producers.

We acquire **78%** of our fish and seafood from Colombian fishermen.

↗ **5% more than in 2017**





*The Company began in the business of selling fabric in Medellín. 70 years later, the textile business bets on fashion awareness made in Colombia.*

## hecho en Colombia

### We sew fashion with local talent

**93%** of private label textiles are purchased in Colombia.

We create **8,000** jobs mostly for women in **100** workshops located in **5** departments across the country.

**80%** of the fabric used to make our private label clothing is Colombian.

We exported more than **760.000** clothing items from our private labels, Arkitect and Bronzini to Argentina, France, Dominican Republic and Uruguay, fostering national industry growth.



*“We didn’t know the textile and garmenting industry in Colombia. We had the chance to visit one of the 20 workshops where we design the collection for Éxito and we realized that everything was so organized, as well manufacturing a high quality and professional work. This is a chance to democratize Colombian fashion”*

**Custo Dalmau**, Spanish Designer of the Arkitect by Custo Collection



# We believe in Colombia; we buy Colombian!



Fruits and  
Vegetables



Fish



Meat



Textiles

These are the regions from which  
we directly purchase:

Atlántico, Bolívar, Cesar,  
Córdoba, La Guajira,  
Magdalena, Norte de Santander,  
Santander and Sucre



12%



6%



48%

Antioquia



21%



17%



8%



66%

Caldas, Cauca,  
Nariño, Quindío,  
Risaralda and Valle  
del Cauca



22%



19%



28%



13%

Boyacá, Caquetá,  
Casanare, Cundinamarca,  
Huila, Meta and Tolima



37%



48%



3%



21%

## We paired up with our Private Label suppliers to build and maintain supply chains that dignify labor and respect the environment

We carried out **98%** of the social audits of our private label suppliers.  
**↗ 300% more than in 2016**

More than **57,800** jobs are generated by our private label producers, **85%** of which are in Colombia.



We follow the universal principles of human rights, the agreements of the OIT and the employment guidelines of Colombian legislation which enable us to verify that our suppliers have:

- › A system of management, transparency and traceability
- › A mechanism of freedom to unionize and claims
- › A health and safety at work program
- › Policies that ban child and forced labor
- › Inclusion and zero discrimination practices
- › Fair work hours
- › Mechanisms of equal pay

*Agrícola Luna Roja supplies fresh private label products and participated in our social audits*

## We Have Socially Responsible Supply Chains with our Suppliers

**More than 650 commercial suppliers; around 240 goods and services, more than 100 from the textile industry and around 110 real estate signed the Supplier's Ethical Charter, which defines regulations to make our supply chain sustainable. The suppliers agree to:**

- › Treat their employees with respect, dignity and generate a safe and healthy work environment
- › Buy, produce and offer services that respect the environment
- › Keep commercial relationships free of any manipulation, active or passive corruption, extortion, malfeasance funds and, in general, any type of illegal practices

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## We Train our Suppliers to Offer Quality Products

More than **410** suppliers attended **32** training sessions about good farming practices, safety, quality and processes, among others.

**We bet on our new and small suppliers for finding a partner in us to grow and strengthen**



*Lök Foods is a small business that sells fine aroma chocolates, made with cacao grown in territories that previously grew illegal crops. In 2017, year in which the relationship with the company began, Lök Foods has developed a portfolio of products made with Colombian raw goods since then*



*“For us, is very satisfying to know that, by having a commercial partner like Grupo Éxito to distribute our products, we can help many families to find in cacao a way for peace and development”*

**Alberto Henao**, Lök Foods Manager

**We support the strengthening of SMEs through Promotora de Comercio Social**

**260** SMEs sell their products to Éxito, Carulla, Surtimax, Super Inter and Surtimayorista.

We accompany **30** small farmers in the sale of their products.

**30** businesses participated in the product portfolio of Carulla FreshMarket.



See an example of the sustainable product chain

## 10 Years acknowledging the stories of our suppliers who build the Country



During the “Proveedores de Éxito” contest, we recognized 13 companies for the innovation, continuous work, good practices, improvements in service and differential proposals to customers

Creytex, Café Quindío, Harinera del Valle, Frutinal, Leonisa, Continente, Huawei, Industrias de Galletas Greco, HP Colombia, Dar Ayuda Temporal, Cine Colombia and Nutreo were the winners suppliers



*Susanita was the recipient of the “Toda Una Vida” award, in the Tenth Edition of the “Proveedores de Éxito” contest, an event which praises the commitment of our suppliers and recognizes stories of joint growth*

*“At this time, I only have to say thanks to Grupo Éxito for helping me grow; 36 years ago, it purchased my first ‘tostaditas’ and they were my first large supermarket chain. I couldn’t be happier. Grupo Éxito, I love you!”*

**Susana Posada**, founder of Susanita



See Susanita’s story of growth here

### We generate win-win relationships with convenience and local mini-markets

Around **1,400** businesses are part of Aliados Surtimax and Super Inter channel, a business model based on a win-win relationship that allows not only the growth of local mini-markets convenience stores and the company.



Close to **1,00** Aliados Surtimax in **17** departments



More than **200** Aliados Super Inter in **4** departments



We opened Aliados Surtimax in 2014 and Aliados Super Inter in 2015 as an option for sustainable commerce which gathers formal and traditional market practices, that allows mini-markets and convenience stores to grow and develop their businesses.

More than **760** partners were trained in self-service management, marketing and sales, and service and motivation through diploma courses and seminars, in order to strengthen their businesses.



*“I’ve been an ‘Aliado Super Inter’ for three years and thanks to the growth of my business by 300%, I was able to build my own store, generate employment, strengthen my commercial presence in my neighborhood area, increase my product portfolio and the security of having a prosperous business for my family’s well-being”*

**Jhon Alejandro Carmona Rodríguez**, Aliado Super Inter Surti-más, Bugalagrande, Valle del Cauca



*“Being a Sinerproveedor has many advantages: we have strengthened our relationship with Grupo Éxito, jointly developed products and worked toward reaching goals that will give us all a win-win revenue”*

**Marco Mejía**, Manger of Base Cook Products, iSinerproveedor

## We made progress in the consolidation of Sinerproveedores, a chance for strengthening our commercial partners

**10** Private Label suppliers signed business cooperation agreements that enable:

- › Building a win-win close and collaborative relationship
- › Finding efficiencies in production and sales processes
- › Developing differential products with the best quality-price relationship

## We support business entrepreneurs

More than **1,100** sellers find in our digital platforms, “shop-window” to grow and strengthen their business.

More than **14,600** people from 1, 2 and 3 social stratum get the chance to generate income and become entrepreneurs throughout our direct sales business: Todohogar.

## In 2018, we achieved:

- › Consolidation of national and direct purchasing strategy of agricultural products through partnerships with social organizations
- › Keeping the production of our Private Label in Colombia and sponsoring more than 8,000 clothing manufacturing employees
- › Applying 98% of the social audits to suppliers of our Private Label and guide them toward improvement plans

## In 2019, our challenges are:

- › Strengthening of the direct purchase process in regions to expand the supply chain and keep up the stake for the purchase of Colombian products
- › Structuring a new supplier evaluation model of our Private Label products to identify their capabilities in sustainability and creation of improvement plans
- › Creating a new platform that enables traceability in agricultural products acquired in Colombia



We measure, mitigate and compensate our impact on the environment. In a joint work with our customers, employees, suppliers and allies, we develop strategies that seek to generate awareness and protect the environment

*We work on these fronts to achieve this:*



Measurement and mitigation of the carbon footprint



Solid waste management and recycling



Reduction of material



Sustainable construction



Consumer education



*The Guamal community that belongs to the Atabapo and Inírida indigenous reservation in Guanía, protects strategic ecosystems thanks to the payments the Company makes for environment services*

**Our commitment to the protection the planet aims to accomplish the following Sustainable Development Goals**



**We measured our carbon footprint, mitigated it and compensated it**

More than **240,000** tons of CO<sub>2</sub> due to direct emissions of fuel, natural gas and refrigerants (Scope 1)



More than **43,000** tons of CO<sub>2</sub> due to emissions from the consumed electricity in our operation of own controlled equipment (Scope 2)

**We replaced polluted refrigerant gases for natural options or with ultra-low emissions gases**

We used **103** tons of refrigerants in our premises

Type of Refrigerant	2017	2018
R404A	9.2	11.08
R134A	2.6	3.26
R507	3.4	4.36
Freon R22 57.9	57.9	83.14
R410A	1.2	1.97

Figures in Tons

Éxito Viva Tunja and Éxito La Central use more than **70%** natural refrigerants, reducing the negative impact of global warming



*“For MásBosques is great to have Grupo Éxito’s trust, which compensates its environmental impacts with rural communities through BanCO<sub>2</sub> scheme, aimed to strengthen the protection of the environment. Thanks to the joint work, we contributed to the Sustainable Development Goals”*

**Jaime Andrés García**, Director MásBosques, allied company of the BanCO<sub>2</sub> scheme





*Viva Envigado has the fifth photovoltaic plant in the Company. It generates more than 451 kw/h with 2,700 m<sup>2</sup> of solar panels and supplies up to 20% of consumption in the common areas of the commercial complex during maximum sun radiation hours*

**We optimize the use of our resources and generate clean energy**

Around **120** stores have efficient energy programs and solar energy generation, implemented by Green Yellow.

➤ **19 facilities more than in 2017**

More than **1,300** MWh of clean and renewable energy were generated with more than **5** photovoltaic plants located in **4** Viva shopping Centers and one Éxito store.

➤ **25% more than in 2017**

We saved more than **9,500** of energy with the installation of LED lighting.

We saved more than **COP 5,400** MWh million with energy efficiencies.

We reduced drinking water consumption by **40%**, thanks to installation of low-flow faucets and toilets.

We reduced **46.1** tons of CO<sub>2</sub> emissions by using **12** double decker buses which reduced more than **300,000** kilometers.





## We compensated our operations' impact by protecting strategic ecosystems

With BanCO<sub>2</sub> we protected more than **860** acres of strategic ecosystems and compensated for the emission of more than **7,400** tons of CO<sub>2</sub>.

We sponsored **12** families and **1** community that protect, forests, wetlands, mangroves and paramos.



*Family partner of BanCO<sub>2</sub> who protects ecosystems in Guainía thanks to the Company's compensation*

### First supermarket chain committed to zero deforestation

We signed the “**Agreement of will for zero deforestation on palm oil,**” within the Tropical Forest Alliance Colombia 2020 (TFA). This aims to protect forests in Colombia and to reduce tropical deforestation.

### Sustainable supply chain

We sell the first meat produced in Colombia under sustainable processes, according to the Rainforest Alliance Sustainable Agriculture Standard, which certifies production accomplish the following conditions:

- › Conservation of biodiversity and natural resources
- › Following responsible livestock practices
- › Has an efficient system of planning, managing and evaluating the impact in the operations.

### We use supplies that respect the environment

More than **54,300** boxes used by Didetexco textile industry and **100%** of paper used in administrative processes are certified with the Forest Stewardship Council (FSC), seal granted by the Forest Administration Council.

Carulla FreshMarket offers its customers the choice of packing its products in a paper bag certified with the FSC seal.

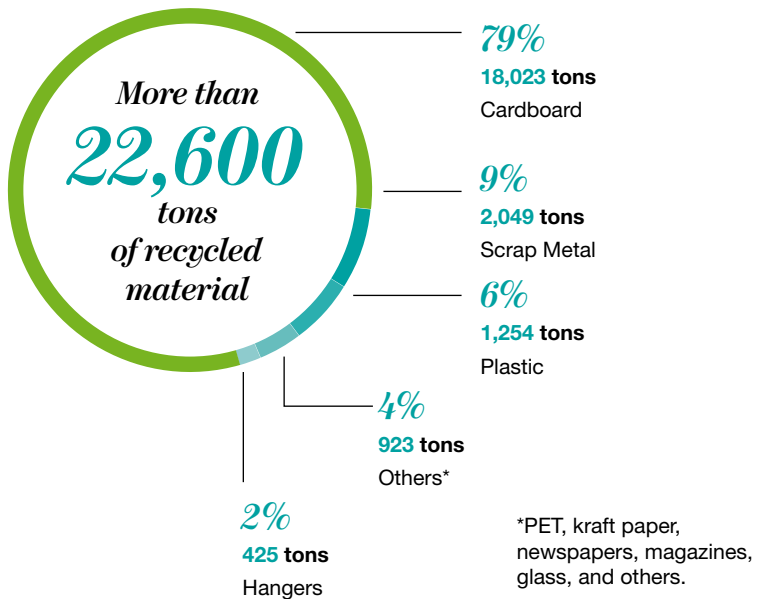


**We have Colombia's largest recycled cardboard delivery process**

**We take advantage of waste and avoid the generation of garbage**

More than **22,600** tons of recyclable waste collected and sold delivered **COP 12,200** million in favor to the nutrition of more than **63,400** children. This is a contribution to achieving Gen Cero

*With the recycling process we avoid that thousand of tons of material end in landfills. The money from their recovery contributes to child nutrition in Colombia through Gen Cero*



**We properly dispose waste**

We kept **25,500** tons of waste from being sent to landfills

More than **100** tons of hazardous, non-incinerated waste, with potential use and incinerated for stabilization or other treatment or for recovery, commercialization and post-consumption.

## We reduced single-use plastics consumption

**We stop supplying, commercializing and delivering straws and plastic mixers in our stores**

We reduced by **34%** the use of plastic bags in the points of sale and **61%** accumulated since 2015, thanks to the commitment of our customers and our internal strategies.

More than **2.3** million reusable bags and privately-owned shopping carts were purchased by our customers.

**↑ 15% more than in 2017**

We delivered more than **38** million “Puntos Colombia” to reward the commitment of customers who brought reusable packaging to carry their purchases.

**↑ 11% more than in 2017**

**4%** of the bags used for internal consumption came from the transformation of excess plastic recovered from our operation.

**70%** of the trays used in the section of fresh products and prepared meals was produced with **19%** less material.



## We advance in optimization and digitization of receipts and promotional strips

We reduced by **40%** the amount of paper used for receipts and promotional strips.

We designed a pilot project to massively deliver the receipt and the promotional strip via digital channels.

## We facilitated the disposal of post-consumer waste

More than **28** tons of post-consumer waste were delivered by customers in the approximately **210** points of hazardous waste collection.

**We promote access and use of sustainable mobility**



We strengthened Movámonos a sustainable mobility collaborative program that encourages employees in Medellín and Bogotá to use sustainable means of transport.

More than **1,000** active employees in Medellín and Bogotá  
 ↗ **24% more than in 2017**

More than **62,700** connections between drivers and passengers to share a vehicle  
 ↗ **73% more than in 2017**



We launched BiciCo, a system of shared electric bicycles, as an efficient, fast and economical alternative to transport in Bogotá. This system operates in partnership with CODENSA, Bicycle Capital and Scotiabank Colpatría.

More than **3,900** trips made

Employees shared more than **1,100** rides

We avoided emitting more than **3,800** tons of CO<sub>2</sub>



We provided shared-ride electric vehicles and charging stations with the CarB program in Carulla stores in Bogotá

More than **620** trips made

We avoided emitting more than **1.2** tons of CO<sub>2</sub>

**We made simple the use of alternative means of transport**

We helped our customers charge their electric vehicles with **14** charging stations located in **3** Viva Malls and **11** stores.

These stations are managed by Empresas Públicas de Medellín (EPM), Codensa in Bogotá and Empresa de Energía de Pereira.

**Initiatives to protect air quality**

We signed the “Pacto por la Calidad del Aire,” promoted by the Alcaldía de Medellín and Área Metropolitana del Valle de Aburrá, in which we committed to develop sustainable mobility initiatives to favor the environment and the quality of life.

Around **80** employees are active in our teleworking strategy in Medellín and Bogotá, by which we have decreased the number of trips, and therefore pollutants in the atmosphere and congestion.



*In partnership with different organizations, we invited our clients and employees to use alternative means of transport*



*Viva Wajjira, in La Guajira, is one of the five Malls with LEED certification*

## Our real estate projects are developed with high international standards in sustainable construction

**3** stores and **2** Viva Malls have the LEED (Leadership in Energy & Environmental Design), certification, awarded by the Green Building Council of the United States, which recognizes works with superior performance design, construction and sustainable operation.



### Éxito La Felicidad Bogotá

First retail store in Bogotá recognized with this certificate.

### Viva Wajjira La Guajira

One of the four shopping centers in Colombia certified and the first of the Company.

### Viva La Ceja Antioquia

The only shopping mall in eastern Antioquia with gold certification for the retail sector.



### Éxito La Central Medellín

First store of the company that receives this certification in Medellín.

### Éxito Mosquera Bogotá

First store of the company to receive this certificate for the "commercial interiors" category.

## In 2018, we achieved:

- › Create an environmental corporate mega that defines the reduction of 20% of the carbon footprint for year 2021
- › Recycle more than 22,600 tons of material to close its cycle
- › Be the first supermarket chain to sign the "Zero Deforestation Agreement on Palm Oil" with Tropical Forest Alliance
- › Implement initiatives to reduce and rationalize the use of plastic and paper in our in-store purchase receipt
- › Consolidate the "Movámonos" sustainable mobility program, aimed to employees of the corporate headquarters in Envigado and Bogotá
- › Define the Environmental, Climate Change and Packaging Policy that provide guidelines on the company's actions in these matters.

## In 2019, our challenges are:

- › Generate new working tasks with suppliers to optimize packaging and bottles of own and exclusive brand products
- › Define and implement a sustainable livestock model



We care about health and well-being of our customers and employees, that's why we offer a portfolio of healthy products, we provide information that allows them to make better decisions in the grocery shopping and we promote physical activity and sports

*We work on these fronts to achieve this:*



Marketing of healthy alternatives



Customer, supplier and employee awareness

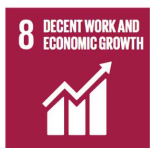


Promote sports and physical activity



*Since 2010 Taeq, our own healthy brand, offers a complete line of foods with nutritional and health benefits to contribute to well-being and balance*

**Our commitment to a healthy life contributes to the achieving the Sustainable Development Goals**



## We offer foods that allow better healthy lives

With more than **4,400** healthy food references, we expanded the “Bueno para ti” (Good for you) portfolio

The Bueno para ti portfolio has an **8%** share in the Fast-moving consumer good



*“Grupo Éxito is a member of the Consumer Goods Forum and is one of the most committed and active retail companies in the education and promotion of healthy lifestyles among its consumers. This is achieved thanks to its broad product portfolio, its permanent stakeholder sensibilization and joint work with its supplier”*

**Erika Rodríguez**, director of the Consumer Goods Forum in Latin America

## We strengthened the food categories

- › More than **3,000** natural and healthy foods that include fresh fruits and vegetables
- › More than **1,300** foods with a healthy profile, for special needs, with nutritional and health benefits
- › About **100** organic products are harvested with ecological standards

## We promote health balance and well-being

More than **330** foods with nutritional and health benefits integrate Taeq’s portfolio of healthy private label products, the most complete brand in the market with a multi-category healthy offer

➤ **43% more than in 2017**



*Carulla FreshMarket and Éxito now have a differential proposal of healthy foods and products for special nutritional needs*



## We inform our customers so they can make healthy purchases

Grupo Éxito continued working with the **Consumer Goods Forum**, an organization that gathers retailers and food producers to help consumers make informed decisions and adopt healthy lifestyle habits

More than **23,000** people participated in “Dale un Giro Saludable a tu Vida”, campaign led by the Consumer Goods Forum, to raise awareness among customers about balanced diets, active lifestyles and reading labels

## We work with our suppliers for the health of customers

**17** products were reformulated by our suppliers to improve their nutritional properties and eliminate risk ingredients such as sodium

A total of **8** private label suppliers were trained to reformulate some of their products with the purpose of reducing risky nutrients such as fats and sodium

More than **1,300** private label products use the Voluntary Labeling System, Guideline Daily Amount for consumers to know the risky nutrients in food  
 ↗ **29% more than in 2017**



About 16,000 people participated in the second version of “Carulla es Saludable,” a fair that promotes health and well-being

More than **280** employees participated in the “Vida sana” congress and accessed information on nutrition, physical activity, visual screening, positive attitude, family planning methods and gynecological care.

More than **64,200** servings of fruit were consumed by employees at administrative headquarters with our Nutritious Foods program.  
 ↗ **14% more than in 2017**

## We invite our customers to have healthy lifestyle habits

We sponsor sports activities and professional teams as a way to encourage physical activity



### The Central American and Caribbean Games

Event that recognizes the performance of athletes in various disciplines. More than **5,000** athletes.

### Ruta Colombia

The biggest event for recreational cycling lovers in Colombia. **4,000** cyclists.

### Corre mi tierra

Athletic race that invites to practice sports and have a healthy life. More than **5,000** competitors.

### Carrera de las rosas

Athletic race that raise awareness about breast cancer. More than **6,000** runners.

### Expofitness

International sport and well-being fair. More than **20,000** attendees.

### Country Squash

Competition for amateur and professional squash players. **180** athletes.

### Team Medellín

Program that supports athletes who have a high-performance opportunity. **150** competitors.

### We sponsored Deportivo Independiente Medellín

Soccer team of the Colombian Professional League.

### We sponsored Club América de Cali

Soccer team of the Colombian Professional League.

## In 2018, we achieved:

- › We offered more than 4,400 foods with a healthy profile
- › Implemented strategies to raise awareness of healthy lifestyle habits joined by the Consumer Goods Forum
- › Increased the consumption of fruits by 14% in administrative offices

## In 2019, our challenges are:

- › Create a platform that suggests the consumption of healthy foods according to purchasing habits
- › Build a strategy to reduce the waste of fruits and vegetables that are not acquired by their appearance
- › Expand the portfolio of sustainable products that includes healthy foods, personal care and eco-friendly products



## El éxito del Grupo Éxito está en su gente

**We are proud of our employees.** We leverage our employees' talent, by assisting them in fulfilling their professional and family goals, as well we promote an attractive, diverse and inclusive work environment, where they can work with commitment and pride

*We work on these fronts to achieve this:*



**We develop our people in being and doing**



**We are attractive, diverse and inclusive.**



**We encourage social dialogue**



*We are proud of our human talent because with commitment, joy, effectiveness and shared vision of the Organization our employees work for customers to come back*

**Our commitment to the well-being of our employees contributes to the achievement of the Sustainable Development Goals**



## We are Colombia's largest private employer

We generate more than

**40,000** jobs in **23** departments in Colombia

More than **33,300** employees are hired under an undefined term

**5,690**

employees in Atlántico, Bolívar, Cesar, Córdoba, La Guajira, Magdalena, and Sucre



**3,311**

**2,379**

**9,933**

employees in Antioquia



**4,492**

**5,501**

**6,815**

employees in Caldas, Cauca, Nariño, Quindío, Risaralda and Valle del Cauca



**3,743**

**3,072**

**16,206**

employees in Boyacá, Caquetá, Casanare, Cundinamarca, Huila, Meta and Tolima



**7,722**

**8,484**

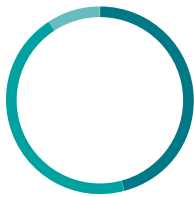
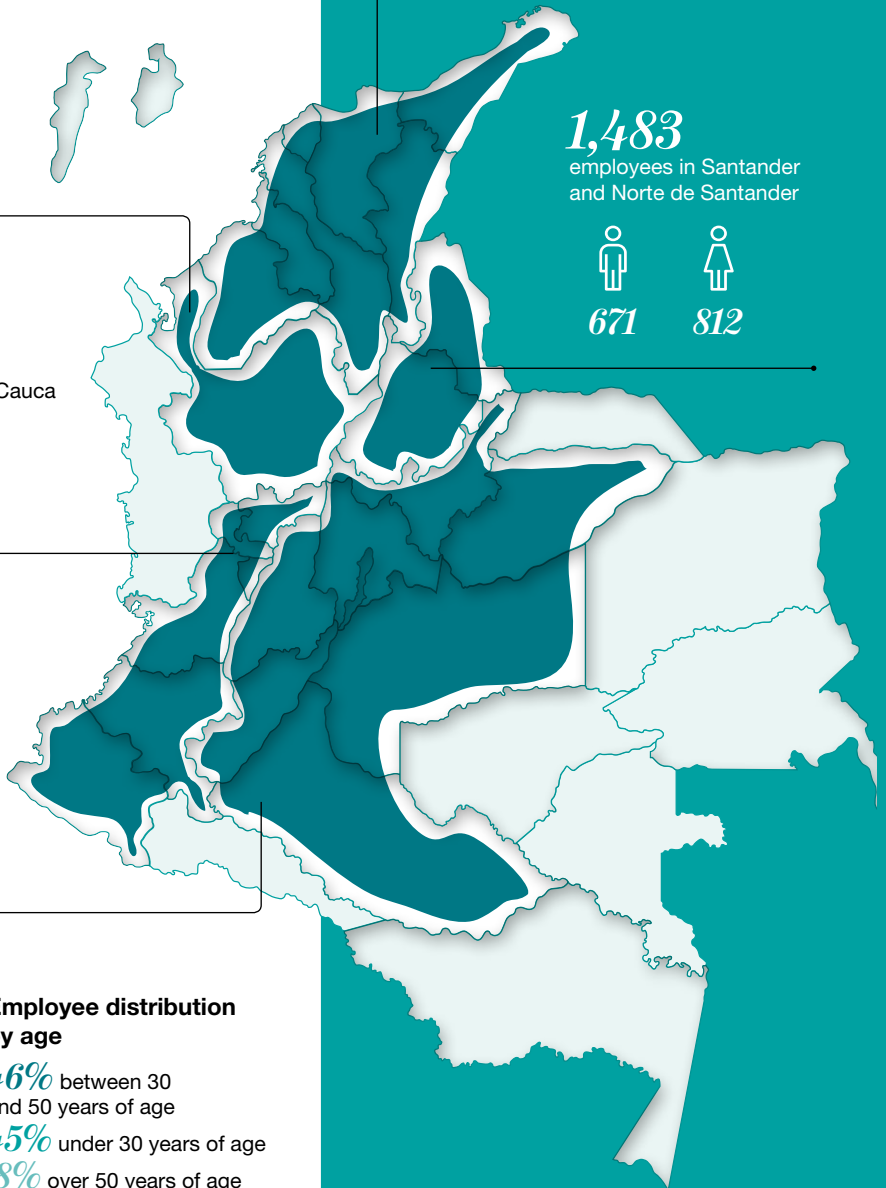
**1,483**

employees in Santander and Norte de Santander



**671**

**812**

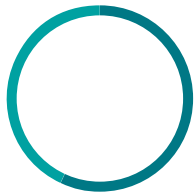


### Employee distribution by age

**46%** between 30 and 50 years of age

**45%** under 30 years of age

**8%** over 50 years of age



### Over **2,800** employees promoted

**1,560** men

**1,241** women

**Our employees are  
our best reason to smile**

We invested more than **COP 86,000** million in more than **520,000** benefits for our employees and their families



*Juan Jeykol Jurado, risk coordinator at the administrative headquarters of Barranquilla, and his family enjoy their house, acquired thanks to the "Plan mi casa"*



**Housing**

More than **COP 6,000** million invested in loans for buying, building and improving housing. More than **3,900** benefits granted.

➤ **11% more than in 2017**



**Education**

More than **COP 10,500** million were invested to contribute our employees and their children's personal and academic growth. More than **21,500** benefits granted.

➤ **9% more than in 2017**



**Health**

More than **COP 1,500** million invested in programs for promoting health and preventing diseases. More than **5,700** employees and their families benefited.

➤ **95% more than in 2017**



### Cambia tu ciclo

We made it possible for nearly **1,700** employees to buy or change their appliances and thus improve their quality of life and well-being at home.

More **COP 275** million delivered.

↗ **246% more than in 2017**



*“The benefit ‘Los mejores de la clase’ has been wonderful for me. I always wanted to study Business Administration and with the educational scholarships that the company gives me, I’m making it happen. I feel proud to be able to share with my dad this recognition the company gives me”*

**Gladys Mariela Carrión**, assistant cashier  
Carulla Centro Chía, Cundinamarca



### “Tiempo para ti”

We make it possible for our employees to enjoy more than **118,000** free hours for personal or family activities.

↗ **6% more than in 2017**



### “Mi Pensión”

We created “Mi Pensión,” a benefit to support **500** employees when carrying out the procedures for the retirement process. Nearly **COP 250** million invested in advisory.



### School for personal and family finances

We trained more than **4,600** employees in personal and family financial planning.



### Culture and entrepreneurship

We allocated more than **COP 523** million in entrepreneurship programs, use of free time and creative expressions.

↗ **95% more than in 2017**



### Vínculos de amor

We accompanied about **1,300** employees in their role as parents.

We provide professional support, economic assistance during birth and additional time for breastfeeding.

↗ **900 more benefits delivered than in 2017**



### Breastfeeding rooms

We opened **5** rooms so that employees in the lactation stage have a suitable space to extract and preserve breast milk.



### Sustainable Mobility

We strengthened the sustainable mobility program “Movámonos”. More than **1,000** employees shared rides between their workplaces and homes in Medellín and Bogotá.

↗ **24% more than in 2017**



**Celebrations**

We awarded more than **190,000** benefits so employees could celebrate special days with their co-workers and families.

**91%** more than in 2017



**Por ti es posible**

We rewarded more than **5,300** employees for their years of service at the Company.



**Volunteering**

We made it possible for nearly 200 employees to participate in the "Somos Gen Cero" volunteer program, by which they allocated three working days to support the activities scheduled by Fundación Éxito.



**We build a better place to work**

The leaders of the company stand out for their ability to lead by example, commitment and close contact with work teams. This is the conclusion of the leadership evaluation carried out to **83%** of the employees.

The employees highlight the good work environment of the company and highlight the commitment, sense of belonging, identification with the position, contribution to the objectives of the Company and the knowledge of the business. This was rated by **91%** of the employees that responded the work environment survey.

In the engagement dimension, the Company obtained a favorable result of **88%**. The results of our employee engagement survey desegregated on gender are:  
Women: **88%** favorability  
Men: **87%** favorability



Unidad de Aprendizaje  
Organizacional  
del Grupo Éxito

## We bring knowledge to our employees

We consolidate the training processes on corporate culture, knowledge of the organization and work performance through the courses offered by the Organizational Learning Unit



Employees received more than **2** million hours of virtual and in-person training.

➤ **27% more than in 2017**

More than **49,100** employees participated in training processes.

➤ **19% more than in 2017**

More than **82,000** employees attended training programs.

➤ **15% more than in 2017**



Cultura  
Corporativa  
Centro Formativo de UAO

More than **40,800** employees received training on strengthening and developing behaviors regarding corporate culture.

➤ **48% more than in 2017**



Conocimiento  
de la Organización  
Centro Formativo de UAO

More than **17,000** employees attended courses to learn about the Company's businesses and brands, strengthening their performances in their positions.

➤ **76% more than in 2017**



Desempeño  
Organizacional  
Centro Formativo de UAO

More than **40,500** employees attended training on basic and complementary skills for adapting to their positions.

➤ **15% more than in 2017**

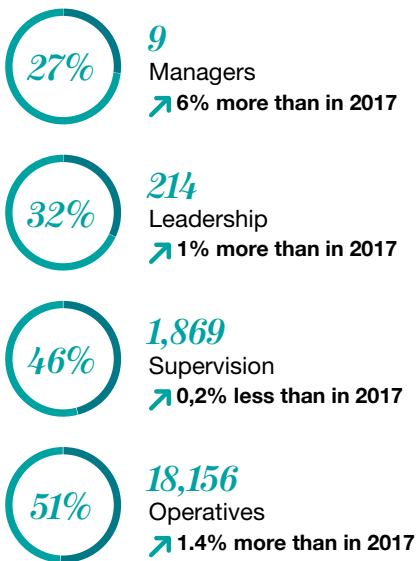




*With our Equity and Inclusion Policy, we developed actions to encourage the consolidation of teams with diverse participation*

### We promote professional equity

#### Women's participation by position\*



\*Individual participation percentages over the total base employees per position



*"Being part of Grupo Éxito has allowed me to advance in my professional career and grow in my personal life. I started working 17 years ago in stores as a cashier, I was promoted and now I have a managerial position. My work team recognizes me and I am happy to always find in the company open paths to grow professionally as a woman"*

**Sandra Orrego Correa,**  
Corporate planning and merchandise manager

### We are in the certification process

We started the certification process for Equal Employment Program, "Equipares" which allows us to identify and overcome gender gaps within companies.

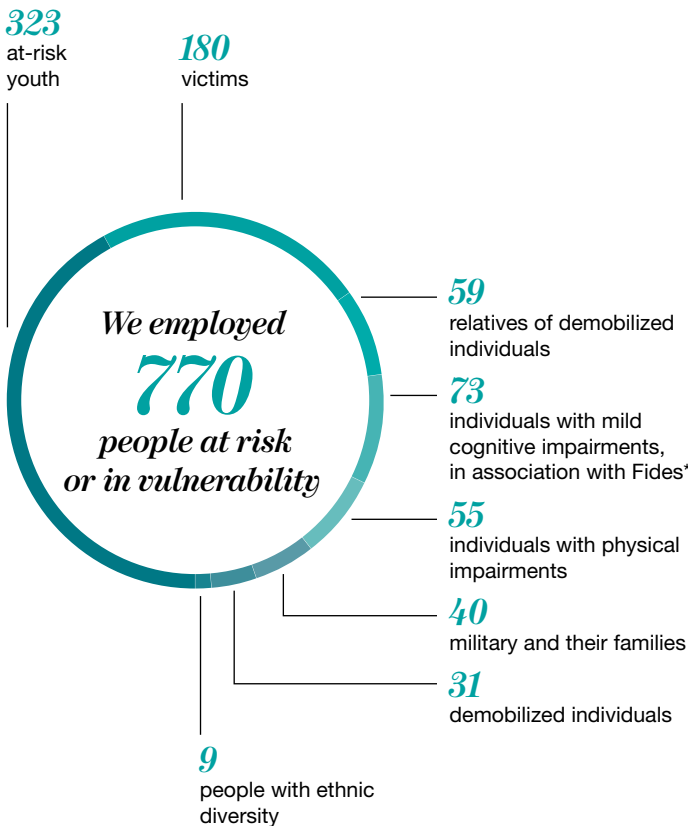
The program is led by the Colombian Ministry of Labor, the Presidential Council for Equality of Women and the United Nations Development Program.

We launched the "Mujeres líderes de la operación" program where we trained **13** women who excel in their role, to empower their skills.

More than **10,300** young people under 30 years of age were hired, surpassing the goal of generating **1,000** jobs for young people in the framework of the "Agreement for Youth Employability of the Pacific Alliance."

## We facilitate labor inclusion

More than **2,000** people have joined the Assistance to the Vulnerable Population Program since its creation in 2006 and have enjoyed opportunities to integrate into work and social life



\* Fundación para la Investigación y el Desarrollo de la Educación Especial

## We encourage social dialogue

We have **4** Collective Agreements in effect until 2019 and a Collective Employment Agreement for the Food industry, which govern employees' labor conditions.

## We protect the health and integrity of our employees

**11%** decreased the rate of occupational accidents.

**Zero** fatalities

## Occupational Illness Frequency Rate (OIFR) – Employees

We continue monitoring the Occupational Illness Frequency Rate (OIFR):

2016: **0.54**      2017: **0.61**      2018: **0.64**

\*The number of occupational illness or diseases cases for the reporting year per million hours worked, calculated using the following equation: (Number of events in the accounting period) / (Total hours worked in accounting period) x 1'000'000.

## In 2018, we achieved:

- › To continue as the largest private employer in the country, with more than 40,000 employees
- › To invest more than COP 86,000 million in benefits for employees and their families
- › To expand 6% female participation in management positions and maintain gender equity throughout the company
- › To start the process of certification in gender equity "Equipares"

## In 2019, our challenges are:

- › Adapt the company's culture to the challenges of digital transformation
- › Consolidate ourselves as an inclusive and diverse employer brand
- › Obtain the "Equipares" seal in the silver category as a result of our commitment to gender equity
- › Structure and implement an ecosystem of business initiatives that generate entrepreneurship among employees

*With the timely payment of taxes and obligations, we are one of the companies that contributes most to the development of the regions*

*We pay more than  
**COP 360,000**  
million in taxes and obligations*

#### Compliance with Tax Obligation

(Figures in millions of pesos)

Type of tax	2018
Industry and Commerce	\$92,007
Property tax	\$21,084
Income	\$55,709
On Equity	\$0
Vehicles	\$20
VAT	\$175,328
Consumption	\$20,439
<b>Total</b>	<b>\$364,588</b>

*More than **COP 1,500** million were donated to institutions to contribute to social projects, environmental protection and knowledge management*

Business name	Accounting value
Fundación Éxito	\$1,100,000,000
Fundación Proantioquia	\$226,600,000
Corporación MásBosques	\$115,000,000
Corporación Unidad del Conocimiento	\$76,520,188
Corporación Excelencia en la Justicia	\$15,780,000
<b>Total</b>	<b>\$1,533,900,188</b>

#### Municipal Tax Payment Details (Industry and Commerce, Real Estate)

(Figures in millions of pesos)

Municipality	2018
Apartadó	\$278
Armenia	\$577
Barrancabermeja	\$365
Barranquilla	\$5,172
Bello	\$2,293
Bogotá	\$40,829
Bucaramanga	\$2,618
Buenaventura	\$485
Cali	\$7,067
Cartagena	\$3,647
Cartago	\$229
Caucasia	\$556
Chía	\$745
Cúcuta	\$1,827
Dosquebradas	\$185
Envigado	\$7,434
Facatativá	\$256
Florencia	\$434
Floridablanca	\$474
Funza	\$1,023
Fusagasugá	\$467
Girardot	\$333
Ibagué	\$896
Ipiales	\$373
Itagüí	\$355
Jamundí	\$290
La Ceja	\$186
La Tebaida	\$163
Magangué	\$224
Manizales	\$883
Medellín	\$10,681
Montería	\$1,083
Mosquera	\$193
Neiva	\$1,034
Palmira	\$358
Pasto	\$910
Pereira	\$2,835
Piedecuesta	\$184
Popayán	\$753
Ricaurte	\$150
Riohacha	\$363
Rionegro	\$948
Sabanalarga	\$171
Sabaneta	\$709
Santa Marta	\$1,489
Sinclair	\$1,143
Soacha	\$368
Sogamoso	\$188
Soledad	\$732
Tuluá	\$195
Tunja	\$519
Turbo	\$157
Valledupar	\$1,108
Villavicencio	\$1,275
Yopal	\$266
Yumbo	\$251
Zipaquirá	\$392
Other minor municipalities	\$3,973
<b>Total</b>	<b>\$ 113,092</b>



*Sustainability  
in Brazil, Uruguay  
and Argentina*

*Our teams in South American countries in which we are present carry out initiatives that favor sustainability. These are some of the results that are framed in five focuses of work:*



### *Supportive and Responsible Player*

- › Mobilization of clients, employees and suppliers to promote solidarity actions in the communities
- › Supporting more than **1,700** people who are in the process of entrepreneurship to develop their businesses



### *Trusted Partner*

- › Evaluation of textile suppliers, private label and presence in critical countries to verify that they meet criteria of respect for human rights and protect the environment
- › Reduction of deforestation through beef traceability tracking
- › Offer of cage-free chicken eggs



### *Reducing our Environmental Impact*

- › Environmental Protection: **11%** reduction in the use of plastic bags
- › Reduction of greenhouse gas emissions by **12.%**



### *Responsible Retailer*

- › Recovery of **5** tons of reusable material thanks to our customer's final disposal



### *Responsible and Inclusive Employer*

- › Expansion of female participation in leadership positions with **500** women
- › Generation of opportunities for more than **3,700** employees with disabilities



- › Carrying out campaigns to contribute to the education of vulnerable children and young people served by specialized organizations and hospitals
- › Investment in the development of childhood with own donations and contributions from customers. More than **1** million Argentine pesos donated to **11** institutions
- › Generation of more than **500,000** liters of safe water thanks to the installation of five water filters in rural schools to benefit **137** children
- › Recovery of **55** tons of food equivalent to **146,154** food rations delivered to the Red Banco de Alimentos (Food Bank Network) and the different Banks where Libertad has a commercial presence
- › Contribution to organizations such as Repapel and the Cine Camina festival
- › Recovery and adequate disposal of **4,518** tons of waste and **2,910** liters of vegetable oils from internal and post-consumer operation of customers
- › Generation of **4%** of the energy used by Libertad through renewable energies
- › Promotion of the use of reusable packages and reduction of plastic bags. More than **1.2** million reusable packages purchased by customers
- › Promotion of healthy lifestyle habits through cooking workshops, talks with nutritionists and supporting campaigns to prevent heart disease and cancer
- › Citizenship Award for Excellence, granted by the Latin American Development Center (Celade), for its Healthy Living program
- › Promotion of gender equity to seek equal opportunities **52%** of the structure is made up of men and **48%** women
- › Training for **2,400** employees who participated in more than **40,000** hours of training in different thematic areas
- › Education and employment for **449** young people with disabilities
- › Training for 42 employees in the “Programa Graduarse” (Achieving Graduation), which aims for employees to complete their secondary studies
- › Creation of volunteer spaces to support women head of household and children