

# Grupo Éxito Strategy

## 1. Organizational Statement

"We are at Grupo Éxito are united by a Higher Purpose: Nurturing Colombia with opportunities".

We work to bring the customer back to guarantee their best experience, through 5 strategic pillars to achieve our goals and connected to our values, which describe how we act.

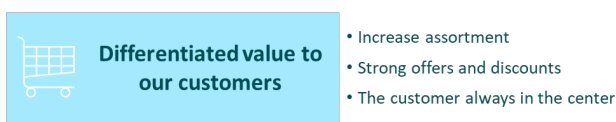


In our actions, we prioritize differentiation, frictionless experience, adaptation to omnichannel consumption trends, operational excellence, social and environmental development, and care for our employees. With a customer-centric strategy for decision-making, we ensure a differential value through offering greater assortment, competitive prices and real estate potential. By developing this model, we guarantee the transformation of our customers' experience to ensure our leadership within the physical and digital retail.

## 2. Strategic pillars

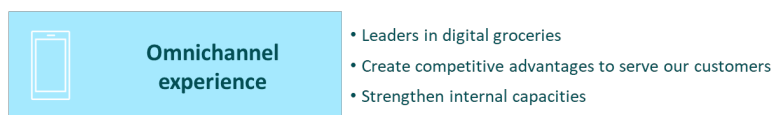
Under the scope of these pillars, we develop projects and initiatives that allow profitability and business continuity with the premise of executing responsible actions and generating shared value to our stakeholders. The pillars that make up our corporate strategy are described below.

### 2.1 Differential value to our consumers



We evolved and adapted our value proposition in brands and formats to be preferred by our customers and suppliers. We focus our strategy on maintaining innovation in products, services, and store formats. We prioritize good relationships with our suppliers and promote on-line sales. By increasing the assortment at stores, we guarantee that the customer finds everything they are looking for in one place, in addition to benefiting of the business ecosystem, which will allow them to enjoy periodic discounts through the year and incredible offers in special seasons. At Grupo Éxito, we constantly explore market and consumer trends, to adapt in a timely manner to changes and ensure that the customer returns.

### 2.2 Omni-channel Experience



At Grupo Éxito, we offer an easy, integrated and seamless experience in our stores and digital channels. We seek to strengthen the omnichannel experience through the improvement of the customer’s journey process, the reduction of delivery times, and the growth of the product portfolio. We focus on keep on being the leader in on-line food sales and on creating competitive advantages

to serve the customer. We work for our omni-customer to feel any difference in its service quality experience when buying on a phygital environment; on the contrary, we seek that channels complement each other to enhance the sale and meet the customer’s needs. In addition, we dedicate to strengthening and developing our internal capabilities to ensure a superior shopping experience.

### 2.3 Capitalize Our Real Estate Potential



**Capitalize our real estate potential**

- Expansion of Viva Malls in Colombia
- Explore new opportunities in Uruguay
- Develop our assets in Argentina

One of our pillars is to continue promoting and developing the real estate business, as it works in a very integrated way with the retail business and provides a hedge to face economic cycles. We continue with the expansion and strengthening of Viva Malls in Colombia, to consolidate its position as a leader in the country. We explore new development and investment opportunities in Uruguay and are dedicated to developing our current assets in Argentina, thus ensuring our growth and leadership in the region.

### 2.4 Operational Excellence

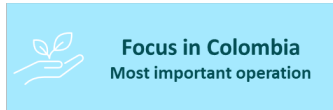


**SG&A efficiencies**

- Expenses control at all levels
- Reduce markdown
- Systemic negotiations with key suppliers
- Cut out non-essential processes

Taking care of and optimizing resources is part of our corporate strategy, which is why we are constantly working to achieve efficiencies in key accounts, the optimization of supply and logistics operations, and the control of spending at all levels. We updated our operating model supported by technology, managing productivity through the transformation of processes focusing on agility, flexibility and efficiency. We focus on reducing shrinkage and breakdown, as well as conducting systematic negotiations with suppliers to improve our commercial conditions. We continuously develop projects to improve and generate benefits, and work to reduce non-essential processes. We are committed to the financial sustainability of the business without affecting the shopping experience of our customers.

## 2.5 Focus in Colombia



- Gradual conversion to Éxito and Carulla
- Develop innovative formats Wow and FreshMarket
- Strengthen Puntos Colombia and Tuya as key differentiators

Most of our strategy is focused on Colombia for being our most relevant business. We will perform a gradual brand conversion to operate solely under the Éxito and Carulla banners, capturing the strength of the brands and great operational efficiencies. We will continue to develop innovative formats and take their foot print to the entire country, ensuring a solid and dynamic presence in each region. In addition, we will strengthen Puntos Colombia and Tuya as key differentiators and integrators of our ecosystem, consolidating our leadership position and offering added value to our customers.