

Sustainability Report 2008

Grupo Pão de Açúcar



GRI
2008



Grupo Pão de Açúcar presents its 1st Sustainability Report based on the Global Reporting Initiative (GRI) version 3 indicators. The information contained in this report is based on interviews with the managers of each area and shows the Group's performance in sustainability. All the financial information can be found in the Annual Report. The two reports provide an overview of the Company for 2008. The Sustainability Report 2008 of Grupo Pão de Açúcar is also available at

www.grupopaodeacucar.com.br/gri_eng

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› GRI SUMMARY

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Message from the CEO [GRI 1.1 e 1.2]

The year 2008 was marked by adjustments and by the focus on greater efficiency in all areas of the company through a series of initiatives capable of making us more efficient and competitive, thus underlining our values and commitment to all the stakeholders.

We made significant progress in the area of social and environmental responsibility, which will, for the first time, be disclosed in our Sustainability Report being produced according to version G3 of the Global Reporting Initiative (GRI) standards. This transparent and detailed report brings information about our practices and the advances we have made, which we consider a significant achievement.

Grupo Pão de Açúcar is guided by values inherent in the concept of corporate responsibility, which place the Company at the forefront of the industry with practices that go beyond its business activities. As a result of this policy, the Group has been a signatory to the Global Compact since 2001 and began adopting the GRI directives this year to guide our management.

Our commitment to sustainable development drives us to constantly seek viable and environmentally correct alternatives that help us to control costs and maximize operating resources in the entire value chain, generating benefits in terms sustainability for the whole society.

In addition, aware of our responsibility and the impacts of our business, we invite our customers to practice conscious consumption and work with us in building a more egalitarian society with better quality of life for all.

This endeavor of ours to lead the sector in the issue of sustainability guides us to underline our track record of operating always in line with the best market practices, which can be seen in this report.

That is why this Report has come at the right time. Happy reading!

Claudio Galeazzi
CEO

Message from the Executive Board

This is a year to celebrate. In 2008, we celebrated 60 years of important achievements and changes at Grupo Pão de Açúcar, which included our greater efficiency in our management and in the social and environmental responsibility practices.

One example is the setting up of a working group with participants from diverse areas of the company, by which created and revamped our programs aimed at conscious consumption and social development, which have become industry benchmarks. We prepared our first GRI report, which will help us evaluate and measure the gains and opportunities from our sustainability practices.

In the social sphere, the Company's focus is on social programs and on improving the quality of life. On the environmental front, we have initiatives focusing on conscious consumption and waste reduction, which are witnessing intense growth. With regard to the financial aspect, we will provide in this report an overview of the information that is available in greater detail in our annual report.

With the examples that follow, we are progressing in the path of sustainable development with the constant belief that there will always be opportunities for improvement, progress and growth. We wish you all a happy reading!

Hugo Bethlem
Executive Vice President

Report Profile [GRI 2.1 3.1 3.3 3.4 3.7]

Considering the growing importance of sustainability in its operations, Grupo Pão de Açúcar decided to present in this report its social and environmental efforts in consonance with the best practices. It thus accepted the challenge of adopting the Global Reporting Initiative (GRI) standards henceforth and presenting its first Sustainability Report GRI, version G3.

This report relates the social, environmental and financial performance of Grupo Pão de Açúcar from January through December 2008. Note that this Sustainability Report brings only the highlights of the Group's financial performance, which is detailed in the latest Annual Report.

If you have any question about this report, the Corporate Relations and Social and Environmental Responsibility area of Grupo Pão de Açúcar will be pleased to help you by telephone (11) 3886-3469.

The electronic version of this report is available at www.gpari.com.br/eng

Application Level

Given the complexity of the process of collecting and organizing information that goes into a report of this magnitude, GRI permits companies to report their sustainability performance at different application levels, directly related to the number of indicators responded to.

Grupo Pão de Açúcar declares that its Sustainability Report for 2008 pertains to Level C, signifying that the company responds to the indicators relating to the profile and kind of management, in addition to the more than ten performance indicators, as can be seen in the following pages.



Mission, Vision and Pillars [GRI 4.8]

THE MISSION, VISION AND PILLARS OF GRUPO PÃO DE AÇÚCAR REFLECT ITS COMMITMENT TO CUSTOMER SATISFACTION AND TO OFFERING A POSITIVE BUYING EXPERIENCE. THE GROUP CONSTANTLY SEEKS SUSTAINABILITY IN ITS OPERATIONS AND TO IMPROVE ITS RELATIONSHIP WITH STAKEHOLDERS IN ORDER TO CONTRIBUTE TO THE NATION'S DEVELOPMENT AND PROVIDE PERENNIAL FINANCIAL RETURNS FOR THE COMPANY.

Mission

To ensure the best shopping experience to all of our customers in each of our stores.

Vision

Grupo Pão de Açúcar strives to expand its market share of Brazil's retail sector and become the most admired company for its profitability, innovation, efficiency, social and environmental responsibility, as well as for its contribution to the development of Brazil.



Pillars

› Customer: our *raison d'être*

Grupo Pão de Açúcar is a customer-centric organization that endeavors to translate every customer contact with its brands into the best experience and thus foster a long and loyal relationship.

› Our people

People with technical excellence who are well prepared and motivated to take on challenges, risks and adopt innovative approaches. People who like to serve, value respect in their internal relationship with customers, suppliers and partners, and act with courage under all circumstances.

› Command over technology

Stay attentive to all the technological advances around the world and evaluate their usefulness and return for our business in order to make the best use of them.

› Solid capital structure

A capital structure that allows investments in our company, our people and our country for operating efficiency in order to provide returns to shareholders and ensure long-term sustainable growth.

History, Operating Structure and About

[GRI 2.3, 2.4, 2.5, 2.6, 2.7, 2.8, 2.9]

Grupo Pão de Açúcar is currently one of Brazil's leading retailers with 70,656 employees and sales of R\$ 20.9 billion in 2008, an 18.2% growth over the 2007 sales of R\$ 17.6 billion. It is a publicly-held joint stock company that currently has 597 stores distributed across 14 states in the southeast, where its headquarters are located in São Paulo (SP), south, midwest and northeast regions, plus the Federal District, totaling 1.4 million square meters of sales area.

The company began operations in 1948 in São Paulo as a sweetshop founded by Valentim dos Santos Diniz, a Portuguese immigrant who came to Brazil in 1929 at the age of 16. Doceira Pão de Açúcar, as it was called, soon became well known for the quality of service and by the attention given by "Seu Santos" (Mr. Santos), as he was known, to his customers. Financial success followed shortly, resulting in the opening of the first branch in 1952, and in the diversification of business, which



eventually grew to become the Grupo Pão de Açúcar of today. “Mr. Santos” presided over the Group till 1995, when his first son Abilio, who had been working in the company since 19, took over. “Mr. Santos” then became the chairman of the board of directors and became its honorary chairman in 2003. In March 2008, the patriarch of the Diniz family passed away, leaving behind for the nation the legacy of his entrepreneurship.



Multiformat Structure

Grupo Pão de Açúcar operates under a multiformat structure, consisting of supermarkets (Pão de Açúcar, Extra Perto, CompreBem and Sendas), hypermarkets (Extra), consumer electronics/home appliance stores (Extra-Eleto), local stores (Extra Fácil), cash-and-carry (Assai) and e-commerce operations (Extra.com.br and Pão de Açúcar Delivery), gas stations and drugstores in addition to a broad distribution network.

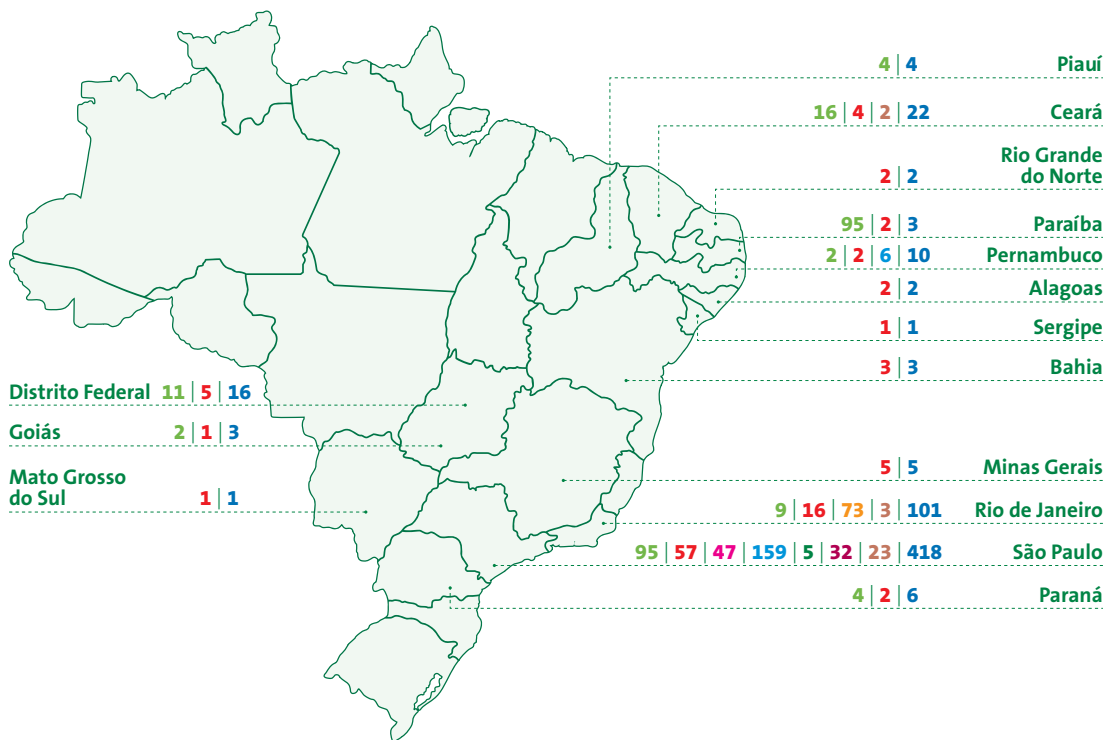
Banner	Concept	Share of total sales	Number of stores
	Neighborhood supermarket that offers efficient and innovative solutions, with attention to detail in order to make shopping easier and more pleasant. It offers everything that customers want with high quality, in addition to the service they appreciate. All this in an attractive, practical and cozy environment at fair and competitive prices.	18.4%	145
	CompreBem/Sendas is a supermarket for the resolute woman, providing her with the maximum support in her big challenge: buy everything her family needs on a tight budget.	13.4% / 7.2%	165 / 73
	The hypermarket for the Brazilian family, which offers differentiated customer care and services, a modern and pleasant environment, and a wide variety of food and non-food products at competitive prices.	44.5%	102
	An on-line sales initiative (internet and telemarketing) which aims to be the best e-commerce solution from the customer's point of view by providing efficient service, a comprehensive product range and differentiated services.	1.7%	1
	Specializing in consumer electronics, Extra/Eleto stores also sell furniture and general merchandise, focusing on excellence in customer service.	1.8%	47
	Neighborhood convenience stores – practical, easy to get to and offering rapid service and affordable prices in a simple, no frills environment.	*	32
	A complete local supermarket, with bakery and butchery, where families can get what they need for their homes while saving money, with agility, in a pleasant, easily located environment with courteous service.	*	5
	Food product store focusing on the delivery of services to transformers and the retail public, offering quality products at highly competitive prices.	7.0%	28
Gas Stations	Installed in store car parks or nearby, the gas stations carry the logos of their associated formats and allow shoppers to complement their store purchases with quality products at competitive prices in a single location.	5.3%	74
Drugstores	Located in the commercial galleries of the Group's supermarkets and hypermarkets, the drugstores add a new dimension to the concept of convenience, offering a wide range of drugs and related products, with responsibility, quality, competitive prices and the guaranteed presence of a qualified pharmacist to help and advise customers.	0.7%	142

* Sales of Extra Perto and Extra Fácil are booked under Extra Hypermarkets.

Distribution of Stores by Banner

Grupo Pão de Açúcar's stores are distributed in 14 states and the Federal District in Brazil:

- › Alagoas (Extra)
- › Bahia (Extra)
- › Brasília (Pão de Açúcar/Extra)
- › Ceará (Pão de Açúcar/Extra Extra Perto/Assai)
- › Goiás (Pão de Açúcar/Extra)
- › Mato Grosso do Sul (Extra)
- › Minas Gerais (Extra)
- › Paraíba (Pão de Açúcar/Extra)
- › Paraná (Pão de Açúcar/Extra)
- › Pernambuco (Pão de Açúcar/Extra)
- › Piauí (Pão de Açúcar)
- › Rio de Janeiro (Pão de Açúcar/Extra Sendas/Assai/Comprebem)
- › Rio Grande do Norte (Extra)
- › São Paulo (Pão de Açúcar/Extra Extra Eletro/CompreBem Extra Perto/Extra Fácil e Assai)
- › Sergipe (Extra)



Exclusive Brands

Grupo Pão de Açúcar pioneered the launch of proprietary brands in Brazil in the 1970s. Since then, it has continuously monitored and developed its own products. Around 1,500 items are currently sold in its stores under its exclusive brands Taeq and Qualitá.



vida em equilíbrio

Two years ago, Grupo Pão de Açúcar surprised the market with the launch of Taeq – the only complete ‘wellbeing’ brand in Brazil. Taeq is a transversal brand in the Company’s chains – Extra, Pão de Açúcar, Sendas and CompreBem – and represents a line of products based on five pillars: Nutrition, Organic, Sport, Home and Beauty. In addition to the products, the brand has created exclusive selling spaces and already has thirteen exclusive stores: ten in São Paulo, two in Rio de Janeiro, one in Fortaleza and one in Brasília.



After the highly successful launch of Taeq in the wellbeing segment, the Company proceeded with its strategy of brand transversality and launched Qualitá, a basic day-to-day solution. Qualitá represents an excellent cost-benefit proposition and is available at all of the Group’s stores. Before launching this line, the Group conducted a rigorous selection process for suppliers and product quality tests in internal and external laboratories. The name Qualitá was chosen to reflect the brand’s key feature: quality.





Through the
direct import
by Grupo

Pão de Açúcar, the French line Casino brings together the all the quality, flavor and delicacy of French cuisine through more than 200 items with excellent cost-benefit ratio.

Over the past three years, the company has been investing heavily on this differentiated assortment that includes food products in the groceries, frozen foods and organic foods segments, in addition to wines of the Club D s Sommeliers brand.



Textiles

Innovation, differentiated assortment and improvement in process and development of suppliers are the basic premises of the Group, which has been focusing on own and transversal brands, thereby

strengthening its differentials vis-à-vis the competition. The Group entered the textiles segment in 2002 and now offers the brand Cast for adults (men and women), and Boomy and Bambini for kids.

Operating and Organizational Structure [GRI 2.3 e 2.4]

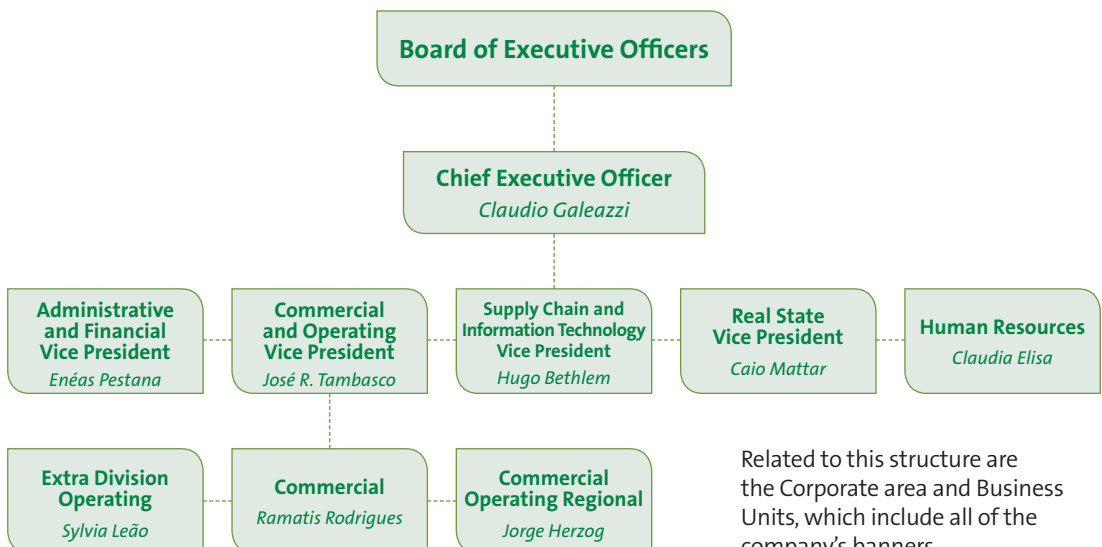
Shareholding Control

The shareholding control of Grupo Pão de Açúcar is divided between the Diniz Group and the Casino Group. In 2005, the parties came together to align the interests of minority and other shareholders, resulting in the shared control of the Company, with 50% held by the Diniz Group and 50% by the Casino Group. The partnership allows the exchange of information and know-how between the groups to enable cooperation between important areas such as Global Sourcing and Exclusive Brands.

The Casino Group is one of the largest retail chains in France, with more than 10,000 stores and sales of more than €27.8 billion in 2008. The conglomerate has alliances with other retail companies around the world, with units or interest held in companies located in the islands in the Indian Ocean, in Venezuela, Colombia, Uruguay, Argentina and Brazil in Latin America, in Thailand and Vietnam in Asia, as well as the Netherlands and France in Europe.

Organizational Structure

The organizational structure of Grupo Pão de Açúcar is as follows:



Related to this structure are the Corporate area and Business Units, which include all of the company's banners.

Board of Directors [4.3, 4.4]

The Board consists of 14 members, including the Chairman of the Board and 13 members, who are elected by the shareholders, with five representing the Diniz Group, five representing the Casino Group and four independent members. The Board of Directors defines the company's strategic guidelines, conducts the corporate governance process, elects the executive officers and oversees top management.

Executive Board

The Executive Board consists of nine career professionals, including the CEO, three Vice Presidents and five Officers, who manage the business according to the guidelines laid down by the Board of Directors.

Advisory Council

It consists of ten independent members who meet periodically to recommend to the Board of Directors measures that help to develop the Company's businesses and operations.

Committees [4.1]

The Group also has four special committees: Audit, Finance, Human Resources and Remuneration, and Innovation and Development.

Corporate Governance

Grupo Pão de Açúcar adopts the precepts of transparency, efficiency and security in management, generating value for shareholders and increasing the liquidity of its shares. Investor services are the responsibility of the Investor Relations department, which conducts meetings and conferences in Brazil and abroad.

In 2007, based on an audit by PricewaterhouseCoopers, Grupo Pão de Açúcar was certified compliant with the Sarbanes-Oxley Act, passed in 2002 to ensure transparency in companies, prevent frauds and provide means to identify them when they happen. This certification allows the company to list its shares on the New York stock exchange in the form of American Depositary Receipts (ADRs).

Notable among the internal practices aimed at ensuring transparency in the company's financial and accounting practices is the role of the Internal Controls area, which identifies risks, as well as updates and ensures compliance with controls. The Group also uses accounting norms and rules that govern listed companies registered with the Securities and Exchange Commission of Brazil (CVM), besides complying with all the rulings of

the U.S Security and Exchange Commission (SEC) for foreign companies listed on the New York Stock Exchange. The company has been included in three performance indicators of the São Paulo stock exchange (BM&FBovespa): the Corporate Governance Index (IGC), in which Grupo Pão de Açúcar figures as a Level 1 listed company, the IBX-50 index of the 50 most liquid companies on the Bovespa, and Ibovespa, the most important indicator of share performance in Brazilian stock markets.



Policy and Strategy relating to Social Responsibility and Business Sustainability

Grupo Pão de Açúcar always believed that the role of a company goes much beyond merely supplying products and services or generating profits for its shareholders. Proof of this lies in the dozens of social and environmental initiatives that the Group has sponsoring for several decades.

In 2008, the company rolled out its new policy on sustainability, which unified all the efforts in line with the Group's goals and businesses. The objective is to make the practices more efficient, which are now evaluated and improved regularly. One of the results of this rethink is this GRI report, a complete and objective model that will also be used as a management support tool.

With the objective of incorporating sustainability in its actions across all sectors of the organization, the company set up an internal committee under the aegis of the Social and Environmental Responsibility area (RSA). Called the Working Group (Grupo de Trabalho - GT), it consists of representatives from diverse areas who contribute with their individual views.

This Working Group, which is the key reflection of the organization's new approach, aims to inform, lead and multiply sustainability practices across the company's diverse areas.





Performance Indicators

Financial Performance [EC1]

Grupo Pão de Açúcar recorded excellent financial performance in 2008, with gross sales growing by 18.2% year on year to reach R\$ 20.9 billion, while net sales closed the year at R\$ 18.0 billion, 21% up on 2007. Gross and net sales under the 'same-store' concept (stores in operation for at least 12 months) grew by 8.5% and 11.0% in the period.

Food products, which account for 75.6% of the Group's gross sales, grew by 7.3% in the 'same store' concept, while non-food products, which account for 24.4% of the sales, grew by 12.1%, driven by electronics/home appliances, general merchandise and drugstores.

The Group's investments were mostly towards the following:

- R\$ 156.1 million on constructing and opening new stores;
- R\$ 94.9 million on strategic land acquisitions;
- R\$ 143.0 million on store renovation;
- R\$ 109.1 million on infrastructure (technology, logistics and others).

As mentioned in the introduction of this report, this Sustainability Report provides only an overview of Grupo Pão de Açúcar's financial performance last year. The details are available at the Annual Report 2008.

Financial and Operating Highlights

(R\$ million) ⁽¹⁾	4T08	4T07	Var.	2008 Pró-forma	2007	2008
Gross Sales	5,922.4	5,137.4	15.3%	20,856.8	17,642.6	18.2%
Net Sales	5,142.7	4,328.8	18.8%	18,033.1	14,902.9	21.0%
Gross Profit	1,345.2	1,197.2	12.4%	4,753.6	4,178.4	13.8%
Gross Margin	26.2%	27.7%	-1.5 p.p. ⁽²⁾	26.4%	28.0%	-1.6 p.p. ⁽²⁾
Operating Expenses	947.2	872.2	8.6%	3,393.9	3,152.4	7.7%
% of Net Sales	18.4%	20.1%	-1.7 p.p. ⁽²⁾	18.8%	21.2%	-2.4 p.p. ⁽²⁾
EBITDA	398.1	325.1	22.5%	1,359.7	1,026.0	32.5%
EBITDA Margin - %	7.7%	7.5%	0.2 p.p. ⁽²⁾	7.5%	6.9%	0.6 p.p. ⁽²⁾
Income before Income Tax	154.8	130.0	19.1%	439.3	226.1	94.3%
Net Income	102.3	112.7	-9.2%	298.6	210.9	41.6%
Net Margin - %	2.0%	2.6%	-0.6 p.p. ⁽²⁾	1.7%	1.4%	0.3 p.p. ⁽²⁾
Income excluding amortization of goodwill ⁽²⁾	140.9	150.1	-6.2%	411.2	312.1	31.7%

⁽¹⁾ Totals may not tally as the figures are rounded off

⁽²⁾ Basis points

⁽³⁾ Net of Income Tax

Net Sales by format (2008)

Year	2008	%	2007	%	Var. (%)
Pão de Açúcar ^(a)	3,903,875	18.7%	3,743,624	21.2%	4.3%
Extra*	10,609,136	50.9%	9,114,795	51.7	16.4
Compre Bem ^(b)	2,932,597	14.0%	2,910,293	16.5%	0.8%
Extra Eletro	372,478	1.8%	330,061	1.9%	12.9%
Sendas**	1,586,588	7.6%	1,309,560	7.4%	21.2
Assai	1,452,095	7.0%	234,230	1.3%	519.9%
Grupo Pão de Açúcar	20,856,789	100.0%	17,642,563	100.0%	18.2%

* Include Extra Fácil and Extra Perto sales

**Sendas stores which are part of Sendas Distribuidora S/A

^(a) 6 CompreBem stores in Pernambuco were transferred from Pão de Açúcar to CompreBem management

^(b) 14 ABC CompreBem stores were transferred from CompreBem to Sendas management

Brazilian Institute for Social and Economic Analysis (Ibase)

The Brazilian Institute for Social and Economic Analysis (Ibase) is a non-profit institution founded in 1981. One of its founders is the sociologist Herbert de Souza, popularly known as 'Betinho'. The Institute's mission is to propagate democracy through the principles of equality, liberty, citizenship, diversity and solidarity.

With this objective, the Institute created the IBASE worksheet, which gathers

information about projects, benefits and social actions targeted at employees, investors, market analysts, shareholders and the community. The IBASE worksheet also serves as a strategic tool to evaluate and multiply corporate social responsibility efforts.

In line with these principles, Grupo Pão de Açúcar discloses its results through the IBASE worksheet, as follows:



>> Annual Social Report / 2008

(Unaudited supplementary information)

1 - Base for Calculation	2008 amount (R\$ '000)			2007 amount (R\$ '000)		
Net Revenue (NR)	18,033,110			14,902,887		
Operating Result (OR)	392,951			205,904		
Gross Payroll (GP)	1,174,155			1,124,091		
2 - Internal social indicators	Amount ('000)	% of GP	% of NR	Amount ('000)	% of GP	% of NR
Food	107,411	9%	1%	87,967	8%	1%
Compulsory social taxes	316,741	27%	2%	310,701	28%	2%
Private pension plan	1,772	0%	0%	863	0%	0%
Health	75,673	6%	0%	76,026	7%	1%
Occupational safety and health	5,945	1%	0%	4,819	0%	0%
Education	2,174	0%	0%	3,291	0%	0%
Culture	0	0%	0%	0	0%	0%
Training and professional development	16,751	1%	0%	13,041	1%	0%
Day care or day care allowances	558	0%	0%	535	0%	0%
Profit sharing	22,173	2%	0%	14,472	1%	0%
Others	103,605	9%	1%	101,241	9%	1%
Total – Internal Social Indicators	652,803	56%	4%	612,956	55%	4%
3 - External Social Indicators	Amount ('000)	% of GP	% of NR	Amount ('000)	% of GP	% of NR
Education	5,132	1%	0%	7,509	3%	0%
Culture	468	0%	0%	1,206	1%	0%
Health and sanitation	405	0%	0%	214	0%	0%
Sports	5,811	1%	0%	6,357	3%	0%
Fight against hunger and food safety	6,721	2%	0%	6,232	3%	0%
Others	1,237	0%	0%	3,322	1%	0%
Total contributions to society	19,775	5%	0%	24,840	11%	0%
Taxes (excluding social contributions)	952,002	242%	5%	747,989	363%	5%
Total - External Social Indicators	971,777	247%	4%	772,829	374%	2%

>> Annual Social Report / 2008

(Unaudited supplementary information)

4 - Environmental indicators	Amount ('000)	% of GP	% of NR	Amount ('000)	% of GP	% of NR
Investments related to Company's production/operation	0	0%	0%	0	0%	0%
Investments in external programs and/or projects	3,445	1%	0%	2,717	1%	0%
Total investments in environment	3,445	1%	0%	2,717	1%	0%
With regard to "annual targets" for minimizing residues, the general consumption in production/operation and for increasing the effectiveness in the usage of natural resources, the company	(x) does not have targets () meets 51 to 75% () meets 0 to 50% () meets 76 to 100%		(x) does not have targets () meets 51 to 75% () meets 0 to 50% () meets 76 to 100%			
5 - Staff Indicators	2008		2007			
Number of employees at the end of the year	70,656		66,165			
Number of employees admitted during the year	28,926		24,430			
Number of outsourced employees	ND		ND			
Number of interns	228		214			
Number of employees aged over 45	4,844		3,645			
Number of women employees	31,576		29,086			
% of top management positions occupied by women	27.33%		27.24%			
Number of African-Brazilian employees	4,440		3,736			
% of top management positions occupied by African-Brazilians	4.23%		3.44%			
Number of handicapped employees or employees with special needs	439		403			

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(Unaudited supplementary information)

6 - Information related to corporate citizenship	2008	Targets 2009
Ratio of the highest remuneration to the lowest remuneration in the company	150 times	150 times
Total number of work -related accidents	464	371
Social and environmental projects undertaken by the Company were defined by:	<input type="checkbox"/> Board of Directors <input checked="" type="checkbox"/> Board of Directors and Management <input type="checkbox"/> All employees	<input type="checkbox"/> Board of Directors <input checked="" type="checkbox"/> Board of Directors and Management <input type="checkbox"/> All employees
Safety and health standards at the work environment were defined by:	<input checked="" type="checkbox"/> Board of Directors and Management <input type="checkbox"/> All employees <input type="checkbox"/> All employees + Cipa	<input checked="" type="checkbox"/> Board of Directors and Management <input type="checkbox"/> All employees <input type="checkbox"/> All employees + Cipa
With regard to union liberties, the right to collective bargaining and internal representation of the workers, the company:	<input type="checkbox"/> does not get involved <input checked="" type="checkbox"/> follows ILO norms <input type="checkbox"/> encourages and follows ILO norms	<input type="checkbox"/> does not get involved <input checked="" type="checkbox"/> follows ILO norms <input type="checkbox"/> encourages and follows ILO norms
Private pension plan includes:	<input type="checkbox"/> Board of Directors <input type="checkbox"/> Board of Directors and Management <input checked="" type="checkbox"/> All employees	<input type="checkbox"/> Board of Directors <input type="checkbox"/> Board of Directors and Management <input checked="" type="checkbox"/> All employees
Profit sharing plan includes:	<input type="checkbox"/> Board of Directors <input type="checkbox"/> Board of Directors and Management <input checked="" type="checkbox"/> All employees	<input type="checkbox"/> Board of Directors <input type="checkbox"/> Board of Directors and Management <input checked="" type="checkbox"/> All employees
While selecting suppliers, the same ethical, social and environmental responsibility standards adopted by the company:	<input type="checkbox"/> are not considered <input checked="" type="checkbox"/> are suggested <input type="checkbox"/> are required	<input type="checkbox"/> are not considered <input checked="" type="checkbox"/> are suggested <input type="checkbox"/> are required
With regard to participation of employees in voluntary work, the company:	<input checked="" type="checkbox"/> does not get involved <input type="checkbox"/> supports initiatives <input type="checkbox"/> organizes and encourages	<input checked="" type="checkbox"/> does not get involved <input type="checkbox"/> supports initiatives <input type="checkbox"/> organizes and encourages
Total number of consumer complaints:	at the company 55,240 at Procon 3,512 in the courts 7,847	at the company 44,192 at Procon 2,810 in the courts 5,500
% of complaints resolved:	at the company 90 % at Procon 92 % in the courts 70 %	at the company 98 % at Procon 95 % in the courts 100%
Total added value distribution (R\$ '000):	In 2008: 3,985,608	In 2007: 3,419,218
Distribution of Added Value (DVA):	government 29.7 % % employees 37.8 % shareholders 1.6 % third parties 26.0 % retained 5.0 %	government 28.8 % % employees 39.5 % shareholders 1.5 % third parties 26.2 % retained 4.0 %

>> Annual Social Report / 2008

(Unaudited supplementary information)

7 - Other information

"Grupo Pão de Açúcar does not employ child labor or slave labor, is not involved with prostitution or sexual exploitation of children and adolescents or corruption."

Our company values and respects internal and external diversity.

For further information, contact: Paulo Pompilio - Phone: 11 3886-3469

E-mail: paulo.pompilio@grupopaodeacucar.com.br



Social Performance [4.14 e 4.15]

Relationship with Stakeholders

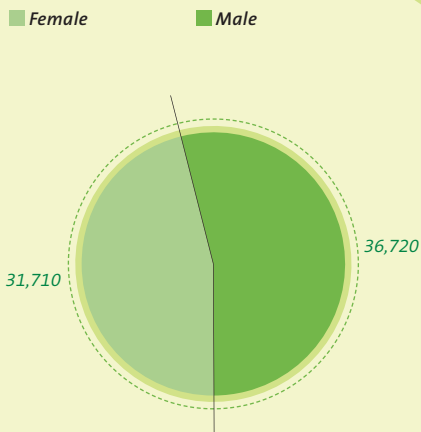
Our People

Profile of Grupo Pão de Açúcar Employee [LA1]

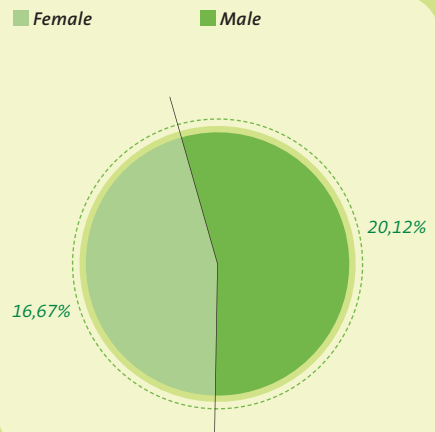
The gender distribution of Grupo Pão de Açúcar employees was relatively balanced in 2008, with 31,576 women employees and 39,080 men employees. Employee turnover was similarly proportional, with 16.67% for women and 20.12% for men.

In terms of age group, in 2008, the Group employed around 42,000 people aged below 30, 24,000 aged between 30 and 50, and more than 2,000 above this age.

>> Number of Employees by Gender - 2008



>> Turnover of Employees by Gender - 2008



Respect for Employees

[HR5] [LA1] [LA10] [LA14] [LA2] [LA4]

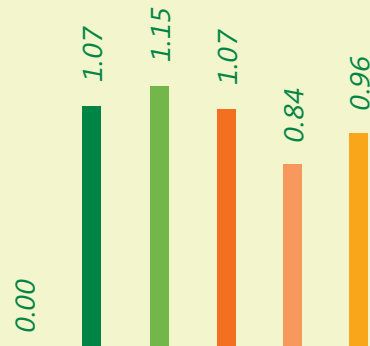
Grupo Pão de Açúcar values the experience of its employees and ensures that their labor rights are respected, including the free association with trade unions and participation in collective bargaining agreements, besides respecting and promoting diversity in the company's internal environment. The Group believes that it will not only attract the best professionals but also ensure that talent is retained in the company.

To foster the development of its professionals, the company invests many hours in training: in 2008, the Group conducted a total of 1,094,287 hours in diverse training programs for all the functional categories.

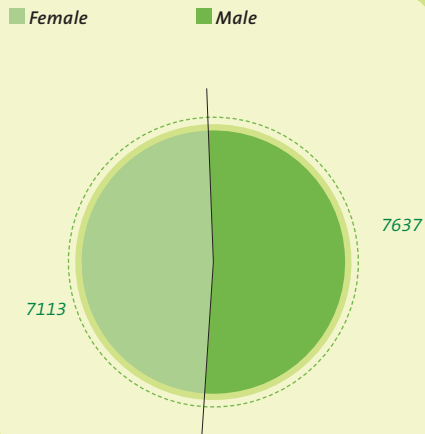
Respect to diversity and equal opportunities for men and women are among the measures put into practice to guarantee an excellent work environment for employees. In 2008, the ratio of men's and women's salaries was 0.84 to 1.07, which shows the balance between the salaries in each functional category, irrespective of gender.

>> Ratio of Men's and Women's Salaries by Functional Category - 2008

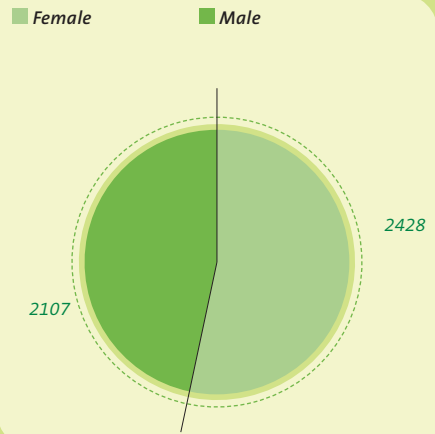
- Officers
- Area Managers and Coordinators
- Area Managers or Coordinators
- Supervisors
- Specialists
- Technicians



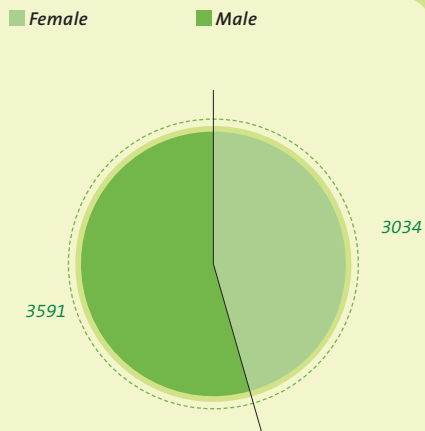
>> Average Wage of General Managers by Gender - 2008



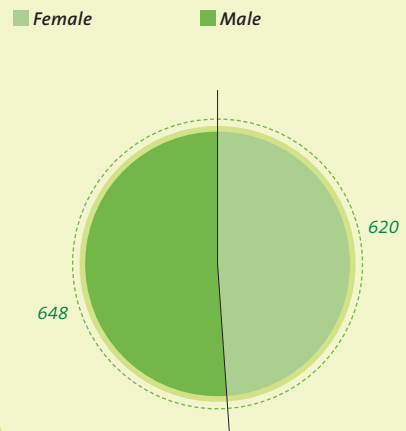
>> Average Wage of Area Managers and Coordinators by Gender - 2008



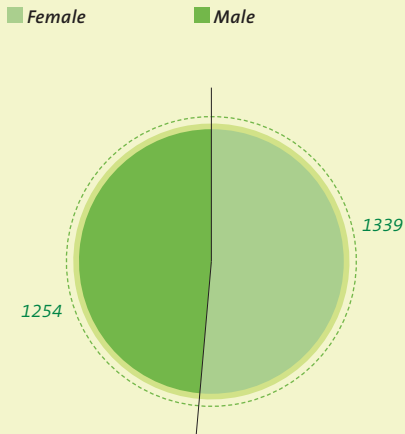
>> Average of Specialists by Gender - 2008



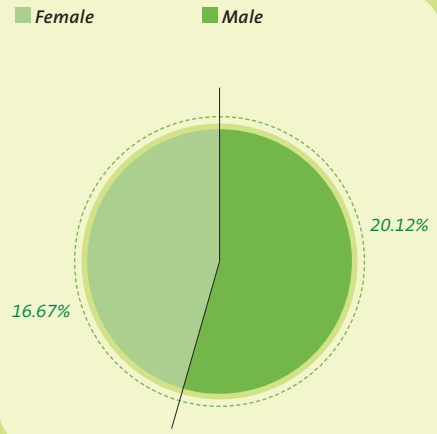
>> Average Wage of Technicians by Gender - 2008



>> Average Wage of Supervisors by Gender - 2008



>> Employment Turnover by Gender - 2008



Pension Plan [EC3]

Employees earning more than the limit set by the Brazilian Social Security Institute (INSS) receive a pension plan from Grupo Pão de Açúcar, in which employees invest up to 8% of their monthly salary and the company contributes a matching amount.

Local Hiring [EC7]

At the time of hiring, candidates for top management vacancies inform their willingness to be transferred according to the needs of the business. However, the company promotes quality of life, by reconciling the proximity between the workplace and the residence of employees.

Occupational Safety [LA7]

Grupo Pão de Açúcar adopts all the preventive and safety measures so that its employees work in safe conditions. This policy has resulted in low rates of injury and occupational sickness at the company.

Rate of Injuries, Occupational Sicknesses, Days Lost, Absenteeism and Work-Related Deaths by Region

Number	2008
Total Employees (Own + Outsourced)	70,656
Number	2008
Injury Rate (IR)	0.000007
Number of Injuries	806
Man Hours Worked (MHW)	105,000,000
Occupational Sickness Rate (OSR)	0.000001
Number of Occupational Sickness Cases	129
Man Hours Worked (MHW)	105,000,000
Days Lost Rate (DLR)	0.002
Number of Days Lost	258988
Scheduled MH	113,000,000
Absenteeism Rate (AR)	1.50%
Scheduled Working Days	18,000,000
Number (Deaths)	2008
Number of Deaths	3

Code of Ethics [HR4]

At the time of joining the company, all employees learn about the Code of Ethics of Grupo Pão de Açúcar. The company rejects all kinds of racial, sexual or religious prejudice or any other disrespect to the fundamental rights laid down in Brazil's Constitution. All agreements for supplies or provision

of services contain clauses about the possibility of rescinding the agreement if the Company's Code of Ethics is not respected.

Pão de Açúcar Club

Pão de Açúcar Club, Brazil's first corporate club, was established 17 years ago with the objective of promoting and stimulating the quality of life of all employees. Its 20 professionals are specialized in nutrition, fitness and running techniques and provide support to those who are new or already used to sports activity, through training and physical conditioning to prepare them for street runs, walks, swimming and hydrobics. At present, 5,000 employees benefit from this program.

The Group also encourages employee participation in sporting events and races by providing financial assistance for registration in such events, besides providing them with uniforms. The Club is headquartered in São Paulo but the project's reach can be seen in Brasília, Rio de Janeiro and Fortaleza.



Customers

Casa do Cliente

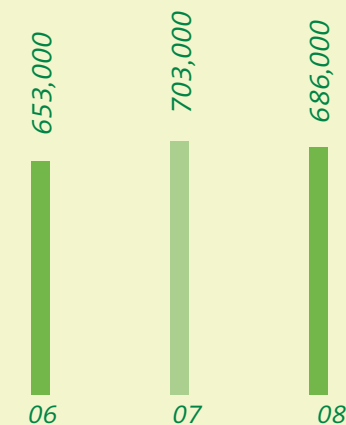
Grupo Pão de Açúcar, which pioneered the installation of an ombudsman in Brazil's retail sector in 1993, further built on this concept, culminating in the creation of the Casa do Cliente (Customer's House) in 2002. At present, more than 50 customer service professionals provide solutions to customers' demand across all of the company's banners.

The objective of Casa do Cliente is not only to serve as a communication channel between consumers and the company but also to identify opportunities for improving products and services.

Since 2007, Casa do Cliente has also been receiving suggestions and requests for the Group's exclusive brands as well as for those imported by it. In 2008, a total of 686,000 customer contacts were received through diverse channels such as telephone, e-mail, and chat. This number was lower than in the previous year, thanks to the improvement in the automatic customer service system, which offers useful information without the need for contact with an operator.



>> "Casa do Cliente" Contacts



In about 46% of total contacts (approximately 319,000), customers obtained from the automatic customer service system the information they needed, especially telephone, number, address and store hours. The remaining 54% were attended by the team responsible for answering customer queries, with 77% of this percentage being resolved instantly.

The leading contact channel was chat, which rose from 2% of total contacts in 2007 to 10% in 2008. The following table provides the breakdown of contacts by channel.

Extra accounts for 72% of all customer contacts, followed by Pão de Açúcar with 17%, CompreBem with 8% and Sendas with 3%.

Total contacts 2008

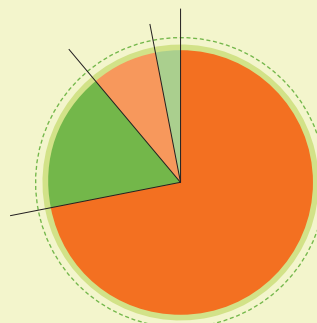
Channel	Volume	Share
Telephone	215,189	58.6%
E-mail	109,546	29.9%
Chat	37,722	10.3%
Personal visit	241	0.1%
Letters	3,376	0.9%
Mailbox	897	0.2%
Total	366,971	100%

The Casa do Cliente program also has a dedicated team to attend complaints sent by consumers directly to Procon, the consumer rights bureau. Grupo Pão de Açúcar has provided the bureau with specialized free telephone service so that customer complaints are resolved immediately, without bureaucracy. This initiative helps to provide speedy customer service, while facilitating the work of Procon and of Grupo Pão de Açúcar.

At present, 95% of the complaints sent to Procon are resolved to the satisfaction of all parties.

>> Business Unit

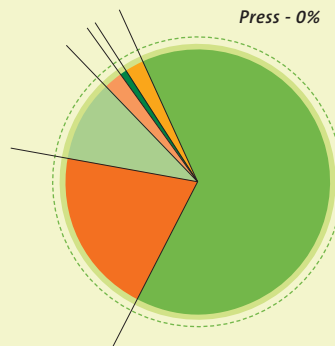
Extra - 72% CompreBem - 8%
Pão de Açúcar - 17% Sendas - 3%



Information/Complaints/Suggestions/Compliments

>> Macroprocesses

Consumer service - 64% Procon (Consumer Defense and Protection Foundation) - 2%
Products - 20% DF - 1%
Importation - 10% PA+ - 2%
Press - 0%



Awards

In 2008, Grupo Pão de Açúcar received the IX Prêmio Consumidor Moderno de Excelência em Serviços ao Cliente award from the magazine Consumidor Moderno. In October, Extra was honored in the Super/Hyper Retail category of the annual survey As Empresas que Mais Respeitam o Consumidor no Brasil 2008 (Companies in Brazil that respect the consumer the most) conducted by the consulting firm TNS/Interscience. The two awards were mainly for the service provided by the Casa do Cliente program, showing the public's recognition of Grupo Pão de Açúcar's respect for its consumers.

Customer Consultants

To offer its consumers specialized and the best quality customer services, Pão de Açúcar has been offering the services of Customer Consultants since 1998. This initiative, available in 110 of the chain's 145 units, aims to improve the quality of services offered at the stores through the consultants' efforts to create a harmonious environment at the supermarket, ensure the quality of product display, and provide information to customers about the product mix. During the run-up to such special days as Easter, Mothers' Day, Fathers' Day and Christmas, the consultants even help customers to plan menus.

The consultants also participate in the Customers Council, which consists of ten consumers and is used by Grupo Pão de Açúcar to measure the quality of service, products and services offered at the stores.

Market Research and Competitive Intelligence

To understand consumers and their level of satisfaction at the time of purchase, the Market Research and Competitive Intelligence unit of Grupo Pão de Açúcar periodically conducts quantitative and qualitative surveys, deeply analyzing the retail market as well as the Group's units and exclusive brands. The surveys are aimed at indicating consumer well-being, understanding trends, evaluating the Group's communications with the public and monitoring the retail sector to forecast future scenarios. The numbers for 2008 were:

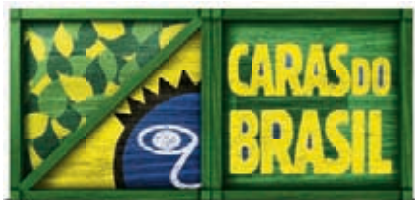
Number of participants in the surveys conducted by the area in 2008:

Interviews at sales points	259,137
Personal interviews	59,333
Group discussions	1,384

Suppliers

Caras do Brasil [EC6]

Caras do Brasil (Faces of Brazil) is an innovative program in the retail sector launched by Grupo Pão de Açúcar in 2002 to sell products made by small organizations and communities that demonstrate social and environmental responsibility but would have difficulty in accessing large markets for their products.



In addition to serving as a sales channel for sustainable products and stimulating conscious consumption, Caras do Brasil has other values such as encouraging people to remain in their native place as well as promoting social inclusion and self-esteem

of the communities through the generation of local wealth, besides valuing cultural and gender diversity.

The eligibility criteria for the program include socially and environmentally responsible production practices, ability to meet deadlines and ensure consistent supply in compliance with health and safety laws.

At present, Caras do Brasil has 55 suppliers in 17 states from whom it acquired 225 types of products in 2008, with 22% being food items and 78% being non-food items. It also received special investments for re-registration, revaluation and requalification of suppliers, optimization of inventory turnover and refurbishment of its image by revamping the visual communication, promotional material and even the logo.

Investments in product sourcing were:

2006	2007	2008
R\$ 1,708,184	1,493,262	R\$ 1,048,342

(In 2008, Grupo Pão de Açúcar redefined the volume of product inventories related to Caras do Brasil, which explains the difference between investments this year and last year.)

The Caras do Brasil program was mentioned in the study Talk the Walk conducted by the UN Global Compact on sustainability, which cites its use by Grupo Pão de Açúcar as an example of “green marketing” to attract consumers.

Traceability – Meat

The objective of this program, launched in 2003, is to offer consumers, through the Taeq brand, a product that incorporates sustainable practices in its production process envisioning the health of people, adequate treatment of animals and preservation of the environment. For this, Grupo Pão de Açúcar teamed up with Instituto Ethos and adopted the methodology of the Programa Tecendo Redes Sustentáveis (Tear – Weaving Sustainable Networks Program) in meat production. This methodology consists of evaluating the characteristics of the operation, drawing up plans for implementing sustainable management (social, environmental and economic) and consolidating the dissemination capacity of the trainees within the program's relationship network.

Promoted by Instituto Ethos and the Multilateral Investment Fund of the Inter-American Development Bank, the Tear Program primarily aims to increase

the competitiveness and sustainability of small and medium companies.

To join the meat traceability program of Grupo Pão de Açúcar, cattle breeders should support and respect internationally recognized human rights and certify that their organizations are not party to the abuse and violation of these rights.

As a direct result of this program, participants now adopt an active approach to social responsibility and carry out diverse initiatives such as literacy programs, among their employees.

The reward for this approach comes in the form positive financial results for producers: Grupo Pão de Açúcar guarantees purchase of 100% of the animals born and pays the producers the highest price according to the Esalq – USP index for the region of slaughter.

Taeq meat now represents 2% of total beef sales at Pão de Açúcar and Extra.



Traceability – Fruits and Vegetables (FLV)

Grupo Pão de Açúcar has a Program for the Control of Origin and Traceability of Fruits and Vegetables (FLV), which ensures that only the highest quality vegetables are sold. Through this program, Grupo Pão de Açúcar can trace the products right from their origin in the field to the store shelves, which facilitates mapping and makes it easy for the Group to take corrective and preventive action against suppliers when required, besides reducing inventory shortage.



Despite the excellent results obtained, Grupo Pão de Açúcar continues to invest in improving the program by implementing and consolidating an online database that can be accessed by suppliers, consumers and the company's managers. The Group also works on improving the performance indicators so that producers can track their progress.

Currently, 66% of the fruits and 60% of the vegetables originating from São Paulo state pass through the traceability system.

Grupo Pão de Açúcar is also working on obtaining the ISO 9000 certification attesting to its compliance with a series of quality norms, which will give its FLV traceability program greater credibility.

Conexões Sustentáveis (Sustainable Connections)

In October 2008, Grupo Pão de Açúcar signed the Pacto Empresarial Conexões Sustentáveis: São Paulo-Amazônia, promoted by the NGO Movimento Nossa São Paulo and the Sustainable Amazônia

Forum. The Group will participate in the Sustainable Connections program in three spheres – cattle, soy and wood.

Under the Pact, the company undertakes not to acquire products from suppliers blacklisted by the Ministry of Labor for reason of slave labor, or those originating from land seized by the Brazilian Institute for Environment and Renewable Natural Resources (Ibama). The aim of this commitment is to prevent trading in cattle, soy and wood products that do not comply with labor and environmental legislation from being sent to São Paulo city.

Quality of products

Prevention and Losses [PR1]

Since the quality of the products is fundamental to the success of Grupo Pão de Açúcar's business, this issue receives extra attention.

The quality control measures begin with the selection of suppliers, at the beginning of the supply chain, who are vetted based on the methodology of the British Retail Consortium (BRC), which considers environmental and social issues such as the treatment of industrial effluents, pest control, child and slave labor, recycling agreements and disposal of byproducts.

In the six Distribution Centers situated in São Paulo, Rio de Janeiro, Brasília, Ceará, Pernambuco and Bahia, the products are also checked against the technical specifications, which include visual,

sensorial, microbiological, physical and chemical analyses. Information in the labels and the validity period within limits, as per national legislation are also checked.

The cargo and the lots received at the Distribution Centers are analyzed with the help of instruments such as thermometers, penetrometers, refractometers, pH measuring instruments and calipers.

Strict storage control and periodical inspection are carried out at the Distribution Centers, thereby assuring the quality of the products before they are distributed to the stores.

Another important concern of Grupo Pão de Açúcar is the monitoring of agrottoxins, which began in 2002 at Recife (PE) with the Agrotoxic Residues Analysis Program (Para) of the National Health Surveillance Agency (Anvisa).



Between 2002 and 2006, the Program conducted 3,888 tests for the conformance level of 82%. From 2007 to 2008, more than 530 tests were conducted, for conformance level of 95%, thanks to the improvements made by suppliers on the field and the controls at the Distribution Centers.

In 2008, Grupo Pão de Açúcar also began work on Supplier Performance Control (CDF) with the key objective of tracing products till the point of sale and enable the improvement of its FLV producers.

The quality control professionals of Grupo Pão de Açúcar form a multidisciplinary team of agronomists, biologists, chemists, zootechnicians, veterinarians, biomedical professionals, nutritionists and engineers from the food, textile, material, chemical and electronic engineering areas.

At the stores, a team of veterinarians and intern nutritionists ensure compliance with the operational hygiene best practices, called Food Safety.

Imported Goods

The food and non-food products imported by Grupo Pão de Açúcar are checked at the origin itself by globally renowned inspection companies according to Brazilian laws, the Group's internal norms, international regulations such as

the ANSI/ASQC C1.4-2003 sampling plan and the respective inspection protocols. Thanks to this concern for quality, the Group can, for example, offer a 12-month warranty on imported electronic goods, which is four times more than required by Brazilian legislation.

Another example of this concern is in the general merchandise items such as chinaware, which are analyzed for the presence of heavy metals.

Top Log

Since 2004, Grupo Pão de Açúcar has been encouraging its suppliers to improve their logistics processes through the Top Log award it instituted as an incentive to partners to innovate and improve their efficiency, generating operating gains for the company and enabling greater integration in the supply chain.

In 2008, 21 suppliers from diverse sectors such as groceries, perishable goods, electronics, general merchandise and textiles received the awards. The awards event was attended by 130 suppliers and by Cláudio Galeazzi, the CEO of Grupo Pão de Açúcar, Hugo Bethlem, the Supply Chain and Information Technology Vice President, Marcelo Lopes, the Supply Chain Officer, and Paulo Pompílio, the Corporate Relations and Social and Environmental Responsibility Officer.

The next edition, to be held in 2009, will for the first time include sustainability indicators to rank companies. That is, in addition to such factors as punctuality, timelines and quality in deliveries, other practices like optimization of routes, reduction of pollutant emissions and packages in the logistics processes will be considered.

All these initiatives underline Grupo Pão de Açúcar's objective of implementing the Green Chain.



Backhaul

One of the important achievements of Top Log was the execution of backhaul, a system to optimize vehicle, freight and efficiency by integrating the logistics operations of Grupo Pão de Açúcar with those of its suppliers. Under this system, soon after unloading cargo at a Grupo Pão de Açúcar unit, the vehicle goes to the supplier's Distribution Center to pick up a new order placed by the Group. This enables the units to be supplied more frequently and keep the fleet always busy, thus avoiding product shortage and reducing freight costs. The system also brings environmental benefits as it implies a reduction in fuel consumption by the fleet, consequently reducing greenhouse gas emissions.

Exchange of Information with Suppliers

Another important measure to improve the logistics between the Group and its suppliers was the creation of a website with sales and inventory data as part of the Exchange of Information with Suppliers Project (TIF).

Through this project, suppliers can inform their local sales agents about the status of the goods in inventory at the Group's units, thereby speeding up the inventory replenishment process.

Gains from the Top Log program:

Backhaul Index => The number of cargo pickups in partnership with the 32 suppliers went up by 23% in 2008 and is expected to further increase in 2009.

TIF Project => Greater speed in inventory replenishment at store shelves with products available at the storage.

Reduction of inventory cover in the supply chain => The company reduced inventory cover by 20% between 2007 and 2008.

Society

Advertising [PR6]

Promotions and Events

Grupo Pão de Açúcar's promotional activities are held in compliance with the two organs regulating such activities in Brazil – the Caixa Econômica Federal (CEF) and the Secretariat for Economic Monitoring (SEAE) – pursuant to Law 5,768 of December 20, 1971, and Law 10,683 of May 28, 2003, which regulate the rules and procedures relating to commercial promotions involving free distribution of prizes and the classification of these promotions under the types envisaged by Law 5,768/71.

The events conducted by the Promotion and Events area, which involved playing of music, were informed to the Central Copyright Collection and Distribution Office (Ecad), the government body responsible for copyright charges and payments relating to the public broadcast of Brazilian and foreign music. The required amounts were paid according to Federal Law 9,610 of February 19, 1998, which reaffirmed and expanded copyright owners' rights relating to the creation and public broadcast of music.



Um futuro feliz
é a gente
que cria.

O Pão de Açúcar inaugura hoje, em Indaiatuba, o primeiro supermercado verde da América Latina. Venha conhecer.

O novo Pão de Açúcar Indaiatuba é um supermercado planejado e construído pensando em melhorar a qualidade de vida das pessoas e da comunidade. Nosso projeto inclui eficiência energética, uso racional de água, conservação do meio, incentivo ao desenvolvimento local, inteligência e aproveitamento de parte do lixo para geração de energia. Mas o que você vai notar primeiro é uma maior variedade de produtos orgânicos, saudáveis e naturais, nosso Café, Sushi Bar, Rousseau, Pizzaria e Galeria, e todas as maneiras que encontramos de inspirar e facilitar a incorporação de hábitos saudáveis no nosso dia-a-dia. Venha conhecer a nova loja, na Av. Presidente Vargas, 1.264 - Cidade Nova, e participar das nossas iniciativas. Queremos ver você usando sacolas retornáveis, deixando no Caixa Verde as embalagens que optar por não levar para casa, trazendo lixo de cozinha usado, plásticos, latas, vidros, papéis e papéis para reciclar. Reduzir. Reutilizar. Reciclar. O Pão de Açúcar quer criar um futuro feliz junto com você.

Pão de Açúcar Lugar de gente feliz.

Media

The advertising work done by PA Publicidade, the advertising agency of Grupo Pão de Açúcar, also complies with the legislation relating to the sector, which includes:

a) Brazilian Advertising Self-Regulation Code:

applicable to the creation, production and publishing and broadcast of advertisements. The enforcement authority is the National Advertising Self-Regulation Council (Conar).

b) Standard Advertising Norms:

applicable to business relations between advertising agents, clients, and communication vehicles. The enforcement authority is the Executive Council for Advertising Standards and Norms (Cenp).



Images

The photographs produced, purchased and rented for Grupo Pão de Açúcar respect the rights of the author, work and image, pursuant to Law 9,610 of February 19, 1998. All the work is based on agreements granting total rights or for a specified time period. Agreements with minors below 18 are signed by parents.

Brochures

The paper used to print brochures is taxed according to applicable laws, except in cases of editorial publications envisaged by Law 1953 of December 21, 1977, in which cases the confirmation is obtained through a declaration from the printer about the origin of the paper.

All printed communication complies with Federal Law 11,265/2006, which lays down about selling products for babies aged up to 11 months and 29 days, and first infants between 1 and 3 years. This law reaffirms the decisions contained in Anvisa's Resolutions RDC 221 and 222/02 and provides for the inspection of establishments that manufacture and sell products for babies and first infants.

Also, all printed communication contains the warning about the ban on sale of alcoholic drinks to minors below 18, in accordance with Article 81, II of the Statute of the Child and Adolescent.

Radio, Television and Cinema (RTVC)

The Radio, Television and Cinema (RTVC) area of PA Publicidade is always alert to the norms of production and broadcast of its communication/marketing pieces. The agency complies with all the laws, norms, regulations and practices governing the advertising industry.



PA Publicidade's activities in this regard are detailed below:

- Contribution to the Development of National Cinema Industry of the National Cinema Agency (Condecine/Ancine) – is levied on the publication, broadcast, production, licensing and distribution of advertising films in cinemas and videos

for commercial purposes. Our films are duly registered with the Agency for payment of Condecine.

- National Advertising Self-Regulation Council (Conar) – its mission is to prevent deceptive or abusive advertising from causing embarrassment to consumers or companies. The agency is always abreast of the ethical standards regarding consumers, products or children's consumption. For example, for each film on alcoholic beverages broadcast by it, the agency allocates 10% of the film's duration (3 seconds on average) to display a blue band with the warning to drink moderately.
- Central Collection and Distribution Office (Ecad) – Grupo Pão de Açúcar's payments to this organ result from the playing of music at its stores.
- Ministry of Health – Compliance with the requirements about advertisements relating to milk and on the importance of breast milk.
- Caixa Econômica – Promotion Authorization Certificate – All our media vehicles have the promotion certificate number.

While producing films, the RTVC inserts all the statutory texts informing consumers about the period, validity, interest rate and mode of payment among other matters in the offers and promotions.

Errata

In order to preserve consumers' right to correct information, in the rare cases of errors in printed material, PA Publicidade has a media plan by which it publishes an erratum in newspapers circulating in the area covered by the incorrect information. The erratum contains the name of the work, validity, list of stores, type of error, product name, other features, if required, the erroneous information published and the respective correction.

To facilitate the widest access to information, a placard is placed in the stores involved in the erroneous information, as described above. The notice is also placed close to the product.

In both forms of communication, we always thank consumers and apologize for the possible inconvenience caused by erroneous information.

In 2008, we published a few errata resulting from human errors in the review process.



Promotions and events

In 2008, Grupo Pão de Açúcar did not face any legal complaint relating to its campaigns.

Global Compact

In 2001, Grupo Pão de Açúcar was one of the first Brazilian companies to sign the Global Compact, a UN initiative launched in 2000 to encourage companies around the world to adopt in their operations values relating to human rights and labor rights, protection of the environment and the fight against corruption. More than 5,000 companies from 150 countries have already signed on to this voluntary program.

Ever since it signed its commitment, Grupo Pão de Açúcar has been actively involved in adopting and disseminating the Global Compact principles. For example, in 2004, the bags of all the Grupo Pão de Açúcar supermarket and hypermarket banners had the ten Global Compact principles and the eight UN Millennium Development Goals printed as part of the dissemination of the two initiatives.

Notable COP

One of the duties of the company as a signatory to the Global Compact is to communicate every year, through the Communication of Progress (COP), its progress in implementing the measures relating to the Compact's principles. In 2005, Grupo Pão de Açúcar's COP was considered by Global Compact as a 'notable practice' and the administration of Global Compact



highlighted Grupo Pão de Açúcar's efforts as a model to be followed by other companies.

The same year, Grupo Pão de Açúcar was invited to participate in the 'Leading the way on Communication on Progress' event organized by Global Compact in Geneva, in which four exemplary COP reports were presented. Grupo Pão de Açúcar was one of them - the only one from Brazil and the only one from the retail sector.

Corruption [SO4]

In compliance with the Global Compact's recommendations on the issue, Grupo Pão de Açúcar seeks to prevent corruption among its employees. One of the measures in this regard is the internally circulated monthly report of infractions by type and banner, without disclosure of the names of the employees involved.

Public policies and lobbies [SO5]

Grupo Pão de Açúcar prepares, coordinates and monitors the progress on Bills, Decrees, Presidential Decrees and Terms of Technical Cooperation, Commitment, Adjustment of Conduct, among others, with the help of the legal department, in the best strategic interests of the company.

The Group also works, directly or through the supermarket industry associations, to defend some of these, always within the legal and ethical boundaries and in the common interest of the company, its shareholders, customers and society.

Respect to Human Rights [HR6, HR7] [HR2] [HR1]

All the agreements between Grupo Pão de Açúcar and its employees, suppliers and service providers exclude any possible disrespect to human rights in labor relations, such as child labor, forced labor or slave labor.

Since 2008, Grupo Pão de Açúcar has extended its concern for human rights to its supply chain, and evaluates the respect for working conditions at the suppliers or companies contracted.

In the area of Global Sourcing, it appraised 109 companies, around 25% of its total suppliers, on these requisites.

Reseller agreements include a clause for the protection of personal liberties guaranteed by Brazilian Constitution. In 2008, the legal department analyzed 4,000 agreements, all of them with said clause. Thus, suppliers undertake not to explore any form of degrading work under the risk of rescission of the agreement by Grupo Pão de Açúcar.

Social Programs

Sports [SO1]

As part of its community-oriented initiatives, Grupo Pão de Açúcar encourages the practice of sport as a factor adding to the quality of life, health and well-being. The company is a reference in the market and society for its initiatives in this regard, maintaining its investments in sports, in addition to retaining the community's approval and participation.

Pão de Açúcar Relay Marathon

An annual event in São Paulo (SP) since 1993, the Pão de Açúcar Relay Marathon aims to stimulate the practice of physical activities and integration among the participants. With 30,000 participants in its 16th edition last year, the marathon is

already the biggest event in this segment in Latin America. It is worth highlighting the democratic and recreational spirit of the marathon which, thanks to the relay system, enables the participation of eight runners per team, bringing together groups of participants across various categories – from beginners in sports to professional athletes.

The success and replicability of this event led the city of Fortaleza (CE) to organize the event for the first time in 2002. Since then, the event has seen increasing participation and is already a part of the city's official sporting calendar, with 6,000 participants in its 7th edition in 2008.



In Brasília, where the event was held for the first time last year, 4,000 people participated. Rio de Janeiro (RJ) will hold its marathon in 2009.

Pão de Açúcar Kids Run

Grupo Pão de Açúcar is aware that the habit of practicing sport should be stimulated at an early age and hence has been organizing the Pão de Açúcar Kids Run for the past five years. Two runs are organized every year and last year alone, they brought together more than 15,000 boys and girls aged between two and 12. The event was elected the best of its kind in Brazil by the Brazilian Athletic Federation.

The infrastructure for the run is similar to that for adults, including kits with t-shirts, chip for controlling the time spent as established for each age group and balanced nourishment.

Last year, the run expanded the age group of the participants by including the Diaper category for children aged two. Children are divided into groups according to the year of birth and run different distances according to the motor development for each age. For example, the distance for younger children, between two and six years, is 50 meters, whereas for older children aged 12, the challenge is greater -



400 meters. All the children receive medals and gifts for participating.

After the race, children are treated to entertainment in an educational space with monitors and games that stimulate conscious consumption through recycling.

Extra Cycle Tour

In line with the positioning of its hypermarket brand, Grupo Pão de Açúcar has for the past five years been organizing the Extra Cycle Tour in Fortaleza (CE), Brasília (DF), Niterói (RJ) and Santos (SP). The objective is to stimulate sports by inviting families to form groups and participate together. It is common in all stages of the event to see parents and children treating their participation in the event as a moment of leisure for the family. The tour passes through important roads in the cities and mobilizes a sizeable portion of the population. More than 20,000 people, including adults and children, participated in the Extra Cycle Tour in 2008.



Investment in Sporting Talent Pão de Açúcar Esporte Clube & Sendas Esporte Clube

Founded in December 2004 based on a project conceived by Abilio Diniz, the Chairman of the Board of Grupo Pão de Açúcar, the Pão de Açúcar Sports Club (PAEC) is a soccer club located in São Paulo (SP) that focuses on developing youth aged 13 and above, who dream of a soccer career. In 2005, the project was extended to Rio de Janeiro (RJ) and the Sendas Sports Club was established.

To provide full-time service to the participants, each club has a Training Center (CT) equipped with facilities for their technical and cultural development.

The CT Pão de Açúcar in São Paulo covers an area of more than 50,000 m² and houses a soccer field, stands, futsal court, accommodation facilities, medical, physiological, physiotherapy centers, academic and entertainment halls, heated swimming pool, auditorium and locker room. The CT Sendas Sports Club, covering an area of more than 45,000 m², has a complete professional infrastructure for sports, which includes four soccer fields, swimming pools, two multisports facilities, an athletic track, two squash courts, complete infrastructure for physical preparation, and medical, physiological and physiotherapy centers. The CTs also have dining halls and menus prepared by nutritionists.



At present, the program serves 270 boys, with 150 in São Paulo and 120 in Rio de Janeiro. Twelve players already play in leading soccer clubs like Grêmio, Santos, Cruzeiro, São Paulo and Corinthians, and two play in the Dutch club Helmond Sport.

Benefits for team members include medical and dental assistance, life insurance, English classes, allowance, in the case of amateur players, and transport vouchers for those not residing in the CTs. To be admitted to the programs, candidates should have been enrolled in an educational institution. Boys living in the CTs are enrolled in nearby

public schools and use the vans provided by the CTs for their commute to and from the schools.

The support team consists of soccer coaches, assistants, trainers for goalkeepers, physical trainers and physiotherapists. The objective is for youth to remain in the CT for at least one year and take part in official tournaments through arrangements with professional soccer clubs.

The PAEC currently plays in the second division of the São Paulo state soccer league and, though a newcomer, already has a successful track record: it won the state soccer league's second division in 2008,



and its junior teams (sub-17 and sub-15) were the vice champions in 2007. The Sendas team plays in the second division of the Rio de Janeiro state soccer league.

Investment in Professional Athletes

Since 2000, Grupo Pão de Açúcar has been providing support to professional Brazilian athletes through investments focused on track and field events and triathlon for men and women. The company's strategy is based on its belief in the power of mobilization and the healthy life that the athletes represent. In 2008, the Group sponsored several athletes at the Beijing Olympics and had the pleasure of seeing Maurren Maggi, a Pão de Açúcar athlete since 2006, bag the gold in long jump. Another medalist sponsored by Grupo Pão de Açúcar since 2001, Marilson Gomes dos Santos, won the New York Marathon for the second time in 2008.



Culture/Solidarity

Music and Orchestra Program

Through the Instituto Grupo Pão de Açúcar, the Group has been making a permanent social investment in education since 1998, focusing on human development. With the theme “Education for ethics, protagonism and autonomy”, the Music and Orchestra Program is part of this proposition, working directly on the personal, social and cultural aspects, as well as promoting individual self-esteem and development.

Children and youth aged between 12 and 21 participate in this program in São Paulo (SP), Santos (SP), Fortaleza (CE), Rio de Janeiro (RJ) and Brasília (DF). The musical repertoire reflects the local cultural and musical traditions – for example,

training is on stringed instruments in São Paulo and Santos, and on percussion instruments in Rio de Janeiro, Fortaleza and Brasília (where training is also given on wind instruments).

The best performers participate in one of the Orchestras conducted by the program till they reach 21. Since 2000, the Grupo Pão de Açúcar Orchestra, which consists of students from the São Paulo program, has been captivating audiences in Brazil and around the world through its more than 380 concerts totaling more than 200,000 people.

Since inception, the program has already trained more than 8,000 students. In 2008, around 500 students were trained at the five



units. A few choose music as a career and go on to study music in Brazilian and foreign universities.

In April 2008, the Orchestra obtained the first recognition for its work – the Silver Plate of the City of São Paulo.

Solidarity Campaigns

Grupo Pão de Açúcar believes it is possible to make a difference by participating in community issues. With this in mind, it organizes scores of community development initiatives in which the Group's units serve as the collection points for winter clothes, books, toys and food, which are then donated to institutions near the stores. Every year, the Group's campaigns help around 300 institutions. In 2008 alone, 464,000 books, 375,000 winter clothing items and 64,000 toys were collected.

Polio Vaccination Campaigns 1st and 2nd doses

Since 2000, Grupo Pão de Açúcar has been collaborating with Municipal Health Departments to ensure that all the children up to the age of 5 have access to the polio vaccine. Last year, 40 Extra supermarkets served as vaccination centers and provided support to other public health policies.

Alimenta Bem

The central point of the Alimenta Bem (Eat Well) program is to disseminate information on healthy diet to customers. The program was launched in 2006, initially in partnership with the São Paulo Municipal



Supply Department. In 2008, the project was restructured and became the Group's exclusive initiative. The project features mobile kitchens, which offer courses at CompreBem's parking lots. In 2008, 22 stores in the state of São Paulo participated in the program, covering more than 20,000 people.

Partnership against Wastage

Grupo Pão de Açúcar makes donations and enters into partnerships, which benefit 600 charity institutions. The program began in 1995 through a pilot project in a few stores in São Paulo city, with the donation of surplus fruits and vegetables. The program has since grown and, in partnership with suppliers, now distributes cleaning supplies, groceries and general merchandise. A team is responsible for separating the products that, although are not ideal for store display, are still fit for consumption.

Institutions wishing to benefit from the program should register at the nearest store and present documentary proof of regular operations. After registration, a timetable is fixed for taking delivery of the products, which could be daily. The store is responsible for visiting the institutions and learning more about their operations.

Social Product

Grupo Pão de Açúcar also promotes social actions involving its customers. In 2008, 330 stores participated in a fund-raising campaign for charity institutions that included the Association for the Care of Disabled Children (AACD), which received a part of the sale proceeds of the panettones produced at the Extra, CompreBem, Sendas and Pão de Açúcar bakeries. The objective of this program is to give the Group's customers an opportunity to support a charitable cause through a purchase.

O que faz seu Natal feliz?

Um panetone cheio de Natal para todo mundo?

Panetones artesanais Pão de Açúcar.
Uma fatia para a AACD, um Natal feliz para você.

Natal de gente feliz.



SOMAR
+

QUALIDADE DE VIDA

DIVIDIR
÷

COM A COMUNIDADE

MULTIPLICAR
×

A CONSCIÊNCIA NO CONSUMO

↓ CO₂

2008

Environmental Performance

THE PIONEER IN INNOVATIVE PRACTICES IN THE DOMESTIC RETAIL SECTOR, GRUPO PÃO DE AÇÚCAR TOOK ANOTHER STEP TOWARDS SUSTAINABILITY, EXTENDING THIS PRO-ACTIVITY TO ENVIRONMENT-RELATED ISSUES. LAST YEAR, THE COMPANY IMPROVED CONTROL OF WATER AND ENERGY CONSUMPTION AND OF THE VOLUME OF WASTAGE GENERATED BY THE COMPANY, AS WELL AS ITS PROPER DISPOSAL.

Mitigation of Impacts [EN26]

Water [EN8] [EN21]

Saving water and maintaining its quality for future generations are paramount to sustainability.

In order to reduce water consumption, the Group installed flow reducers in the taps at most of its stores to maximize efficiency in water usage. In 2008, the Company began monitoring water consumption at stores on a daily basis, thus enabling rapid leak detection. The Group has also implemented a pilot water recycling project at an Extra store in Itaim district in São Paulo city.

Water consumption is monitored at the stores in Brasília and in the states of São Paulo and Rio de Janeiro, which represent around 70% of the Group's total units. The next step is to extend this control process to other cities.

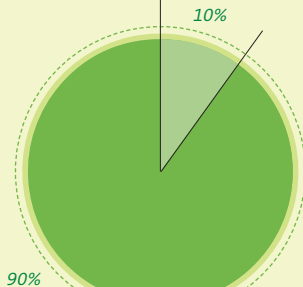
Total water consumption by source = 1,388,560 m³

> Underground water – 132,918 m³ – 10%

> Water supplied by the municipal government or other utility companies – 1,255,642 m³ – 90%

>> Total Water Consumption (1.388.560 m³) by Source.

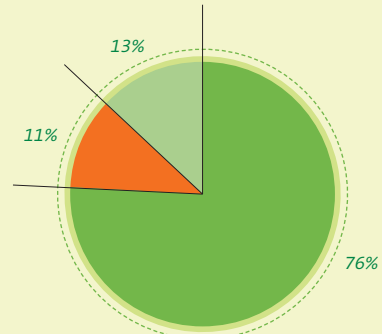
- Underground water
- Water supplied by the municipal government or other utility companies



*Observation: refers to São Paulo, Rio de Janeiro and Brasília.

>> Total Water Disposal

- Sewage network
- Sewage treatment station
- Directly into rivers or other water bodies



*Observation: refers to São Paulo, Rio de Janeiro and Brasília.

It is worth noting that 89% of the water reused by the Group is sent to the Effluent Treatment Stations of the state concessionaires and the remaining 11% is directly released into rivers and other water bodies.



Total water disposal, by quality and destination – 1,439,858 m³
Sewage network belonging to the water supply company – 1,082,743 m³
Released directly into rivers or other water bodies – 163,545 m³
Sewage treated (Sewage Treatment Station) – 193,570 m³

Energy [EN3 e 4]

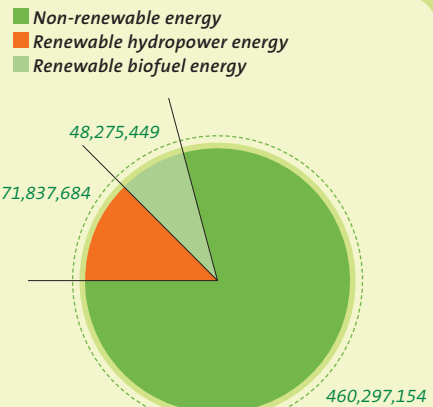
In Grupo Pão de Açúcar's energy matrix, the consumption of energy from renewable sources (43.4×10^{13} joules or 120,113,133 kWh) is equivalent to 26%, or more than a quarter of total expenses.

Another important point is that this portion of energy from renewable sources is acquired in the free market, which favors sustainability in several ways as it strengthens the production of alternative energy, reduces the environmental impact of electricity consumption and does not overload the country's electricity transmission systems.

A small portion of total energy consumption relates to diesel as fuel (direct energy), equivalent to 54×10^{12} joules or 15,000,000 kWh. Diesel is used only during peak consumption periods, which represents a small part of the stores' working hours. Grupo Pão de Açúcar considers this an operating weakness and has studied possible measures to solve this issue.

As for indirect energy, the consumption of energy from non-renewable sources totals 166×166.10^{13} joules, equivalent to 460,297,153 kWh, considering all the units in operation.

>> Indirect Energy Consumption by Source



Emissions [EN19]

Grupo Pão de Açúcar's cooling systems (cold chambers, air-conditioners, refrigerators and freezers) use R22, a cooling gas that is less prejudicial to the ozone layer than R-12. In 2008, 117,254 kilos of this gas were consumed.

At the Indaiatuba Green Store, inaugurated in June last year, the air-conditioning system uses the R-410 gas and the cooling system uses the R-404 gas. These two gases have a negligible effect on the ozone layer and are a new trend in cooling and air-conditioning systems.

In order to further contribute to sustainability and increase its own

efficiency, the Company set up teams to monitor possible leaks in cooling systems. Dubbed 'Caça Vazamentos' (Leakbusters), this program, launched in 2008, uses electronic equipment that detects leaks more accurately with minimum interference on the facilities.

Other Areas

Grupo Pão de Açúcar seeks to rationalize resources and implement measures to mitigate its impacts, including:

Waste Generation: the company has conducted a study on the waste generated by its stores in order to identify environment-friendly ways of disposal by focusing on the concept of 3 Rs: reduce, reuse and recycle. Based on this premise, the Group has adopted initiatives aimed at optimizing the reuse of organic and recyclable garbage, thereby reducing the volume of material disposed of in landfills.

The study conducted by the company resulted in the implementation of a highly successful system at the Green Store in Indaiatuba (SP), whose garbage disposal volume was close to zero. The same system is being adapted at the Group's stores in Curitiba (PR) and will be extended to the units in other regions.

Use of materials: replacement of existing equipment with more efficient equipment or introduction of new technologies, especially lamps, compressors and air-conditioning systems.

Grease Trap: Application of a natural biological product for the degradation of the organic compounds present.

Recycling Stations (SO1)

Grupo Pão de Açúcar was the first retailer to offer its customers an alternative for disposing of recyclable materials. The initiative began in 2001 with the installation of Recycling Stations at the Pão de Açúcar chain in partnership with Unilever, which contributed to the program's rapid execution and expansion. The Recycling Stations have two main aims: preserving the environment and generating jobs and income for the member cooperatives.

Given the customer adhesion and its own benefits, the program was extended to 20 more stores in 2008, totaling 102 Pão de Açúcar Unilever stations. The project is currently one of the most successful recycling programs run by private initiative in Brazil and is well recognized by the community where it is present, growing every year.



The Extra chain also joined the cause last year and, in partnership with Pepsico, created the Extra H2O! Recycling Stations Program.

The Group already has more than 140 collection stations, having collected over 26,000 tonnes of recyclable waste, including metal, paper, plastic, glass and cooking oil, generating income for over 20 cooperatives in Brazil.

Cooking Oil Recycling

For two years, the Pão de Açúcar chain has been receiving used cooking oil. Implemented in 87 stores, this program collects 10,000 liters of oil every month, which is transformed into biofuels instead of contaminating rivers and springs.

Last year, following the success at Pão de Açúcar, the project was implemented in ten CompreBem stores. All the collected material is donated to cooperatives and sold to biofuel producers.

Caixa Verde (Green Box)

Caixa Verde is the first pre-consumption recycling project in the retail sector. Based on a master's degree thesis at the Positivo University in Curitiba, this initiative was adopted by the Pão de Açúcar chain to disseminate the concepts of conscious consumption and the importance of recycling.

Caixa Verde is a box attached to check-out stations in a few Pão de Açúcar stores where consumers can dispose of packaging they do not intend to take home. Pão de Açúcar collects these papers, plastic and metal scraps and sends them for recycling, generating jobs and income for the cooperatives receiving them.

Since its implementation in January 2008, the project has collected more than 60,000 packaging units. Caixa Verde is present in 20 Pão de Açúcar stores in Curitiba, Rio de Janeiro, Indaiatuba, Bauru and São Paulo and will be expanded to the Extra chain and other Pão de Açúcar units in 2009.



Returnable Bags



Grupo Pão de Açúcar was the first retailer to encourage the use of returnable bags, with the objective of reducing the impact of plastic bag use. In 2005, the Pão de Açúcar chain teamed up with Fundação SOS Mata Atlântica and designed several returnable bags featuring endangered Brazilian species. In 2008, the chain launched new models, totaling 12 different options, sold at accessible prices, to cater to diverse consumer profiles.

All the bags are produced from recyclable materials, including PET bottle plastic fibers. Each bag can replace up to eight plastic bags.

In 2008, the project was extended to the CompreBem chain, which sold 100,000 returnable bags in the launch month alone. More than 430,000 units have been sold so far, with 323,000 sold in 2008 alone.

Loja Verde (EN5, 6, 18 e 26) (Green Store)

In June 2008, Grupo Pão de Açúcar opened Latin America's first "Green Supermarket". The construction of this unit, located in Indaiatuba (SP), considered environmental standards with the objective of having the least possible impact on the environment, pursuant to the criteria for certification by LEED (Leadership in Energy and Environmental Design), which attests to the sustainability of buildings.

With an investment of R\$7.5 million, Loja Verde employs technologies that allow 10% energy savings compared to a regular store of the same size. In addition, 100% of the energy used in the store comes from renewable sources, which represents a reduction of 34,000 tonnes/year in carbon emissions, equivalent to the reforestation of over 190,000 trees. If these trees were planted, they would occupy an area of 580,000 m², which is larger than the entire city of Indaiatuba, which spans 310,564 km².





The modern air-conditioning system consumes 10% less energy than a traditional system, equivalent to savings of 120,000 kWh per year.

Regarding water resources, savings is guaranteed by the installation of special taps and valves that reduce water consumption by 40% in relation to a traditional Grupo Pão de Açúcar store, saving 2,52,000 m³ per year. Water heating for showers in the locker rooms uses the surplus heat from the engine room, generating savings of 48,000 kW/h in this area alone.

In addition to the construction, Loja Verde also features other measures implemented in other Group stores, including Caixa Verde, incentives for the use of returnable bags and a large supply of organic products.

Extra Itaim Gas Station

Grupo Pão de Açúcar has 74 gas stations distributed as follows: 5 in Pão de Açúcar, 15 in CompreBem, 45 in Extra, 1 Extra Fácil and 8 Sendas/ABC CompreBem. All gas stations offer hydrated ethanol and regular and unleaded gasoline. In addition, a few units also offer premium gasoline, diesel and NGV (natural vehicle gas). The fuels sold by the

Company's brands come from digital pumps and state of the art – eco-friendly – licensed and certified equipment, with extremely competitive prices and superior quality.

In addition to the quality of its fuels, the Company is already operating a pilot project for the recovery of the gases emitted in the transfer of gasoline while filling both the gas stations and vehicle tanks, considerably reducing the impact of the operation on the environment. The system, in operation at the Extra gas station in Itaim, in São Paulo, is the first of its kind in Latin America and consists of the installation of an exclusive recovery system for gas waste. In operation since March 2007, the project allows the collection and recovery of vapors, called volatile organic compounds (VOCs), which are traditionally eliminated during discharging fuel and filling vehicle tanks.

In order to make it possible to capture these gases, Extra installed specific equipment that sucks gas during the entire transfer process before releasing it into the atmosphere. The Company invested over R\$160,000 to adapt the discharge system, pumping nozzles and hoses that collect vapors and transfer them to the truck. The latter then takes the gas back to the distributor so that the material is processed and transformed into liquid fuel. With this pioneering system, an estimated 1,200 kilos of gas fuel are prevented from being released into the environment every month.

Environment-related Penalties [EN28]

Grupo Pão de Açúcar has specific departments that are responsible for obtaining all the necessary licenses, whether for operating stores or for selling products. Occasionally, fines are levied on the company, which may appeal against them based on facts. In most cases, its legal appeal results in cancellation of the penalties, since there is normally a legal deadline for the authorities to grant the licenses.

In case of fines relating to sales of products and services, Grupo Pão de Açúcar transfers them to the suppliers because in such cases the company is only a seller and not the manufacturer/producer responsible for obtaining the necessary certification. It must be highlighted that all agreements for the provision and supply of services involving Grupo Pão de Açúcar hold the supplier of products and services wholly responsible for the fines levied on the Group for irregularities noticed by the public authorities.

Grupo Pão de Açúcar's commitment to the quality and excellence of services, as well as to the sustainability best practices have always been recognized by diverse entities. In 2008, the Group received various awards and honors, which are listed below:

Awards received during the period covered by the report [2.10]

➤ 11th FISA Awards – 3rd place - Category: Most Innovative Food Product – Taeq Chocolate Egg – Grupo Pão de Açúcar

➤ A Tribuna de Santos – Top Of Mind Santos Award
Extra Hypermarkets



➤ Abilio Diniz - Marketing Best 2008 Award
Marketing Experts

➤ Minas Gerais Supermarket Association (AMIS)
Gente Nossa Supermercadista 2008 Award
Extra Hypermarket



➤ Most Prestigious Companies in Brazil
Época Negócios 100 Yearbook
Supermarket category: Pão de Açúcar (*)



➤ Brazilian Packaging Association
ABRE de Embalagem & Design Award
Special Category – Company of the Year – Taeq



➤ São Paulo State Supermarkets Association
APAS Reconhece 2008 Trophy –Category
Layout Setting and Innovation



- Brasil Notícias Editora e Comunicação Empresarial Ltda
Brazilian Entrepreneur 2008 – Pioneerism
and Entrepreneurship – Grupo Pão de Açúcar
- Colar do Mérito Mineiro dos Objetivos de Desenvolvimento
do Milênio – Municipal Chamber of Belo Horizonte
Extra in the Community Program
- Diário do Comércio e Indústria & Serviço – DCI Award
Brazil's Most Admired Companies – Category: Retail
Grupo Pão de Açúcar
- Diário do Nordeste - Contribuintes Ceará 2008 Award
Category: Retail – Grupo Pão de Açúcar
- Editora Referência and Madia Marketing School - 7th
Marketing Best Award - Social Responsibility Pão de Açúcar
Unilever Recycling Stations
- Editora Referência, São Paulo Business Administration
School of Getúlio Vargas Foundation (FGV-EAESP)
and Madiamundomarketing - Marketing Best Special
Award 21 years: Most outstanding companies in the
past 20 editions - Grupo Pão de Açúcar
- Embalagem Marca – Embalagem Marca Award
Great Packaging Cases - Taeq Beleza
- TOP Ambiental – ADVB Social Responsibility award
for the case “Energy Efficiency and Conservation Measures
in the Retail Industry Applied at Grupo Pão De Açúcar”



- Gestão Sustentax –Sustenta X Seal of Sustainability with Quality – Case – Green Store – RSA and Division of Works
- Informações do Comércio Eletrônico – Diamante E-bit – www.extra.com.br
- Informações do Comércio Eletrônico - Diamante Award E-bit – Pão de Açúcar Delivery.
- ADVB Social Responsibility Institute – Sports and Citizenship 2008 Award –Special “Caio Pompeu de Toledo” Homage to Grupo Pão de Açúcar and BM&F for the support given to athletics in Brazil.
- Mogi News - Top of Mind Mogi Award - Extra Hypermarket
- Casa Cláudia magazine –Planeta Casa 2008 Award Category: Real estate project– Honorable Mention: Pão de Açúcar, for the Green Store at Indaiatuba
- Consumidor Moderno magazine – Consumidor Moderno 2008 award – Category: Super/Hyper Retail
- Globo Rural magazine - Best in Agribusiness 2008 Category: Wholesale and Retail: Grupo Pão de Açúcar
- Methodist University of São Paulo – Top of Brands 2008 Retail: Extra Hypermarkets.
- Salva de Prata award from the City of São Paulo for the São Paulo Orchestra of Grupo Pão de Açúcar



>> GRI Summary

Indicator	Description	Pages	Global Compact Principle	Remarks
1.1 1.2	Strategy and Analysis (Message from the CEO)	5 e 6		
2.1 2.2 2.3 2.4 2.6 2.7 2.8 2.9 2.10 3.4	Organizational Profile	7, 10, 11, 12, 13, 14, 15, 16, 17 e 65		
3.1 3.3 3.5 3.7 3.12	Report Parameters	7 e 68		
4.1 4.3 4.4 4.8 4.14 4.15	Governance, Commitment and Engagement	8, 17, 18 e 29		
EC1	Direct economic value generated and distributed, including revenues, operating costs, wages, donations and other investments in the community, accrued profits and payments for providers of capital and governments.	21	Principle 7	
EC3	Coverage of the obligations of pension plan that the organization offers	32		
EC6	Policies, practices and proportion of spending with local suppliers in important operating units	37		
EC7	Procedures for hiring locally and proportion of top managers recruited from the local community in important operating units	32	Principle 6	
EN3	Consumption of direct energy, broken down by primary energy source	59		
EN4	Consumption of indirect energy, broken down by primary energy source	59		

Indicator	Description	Pages	Global Compact Principle	Remarks
EN5	Energy saved due to improvements in conservation and efficiency	62	Principle 8 Principle 9	Indicator responded partially and found only in the Green Store
EN6	Initiatives to supply products and services with low energy consumption or use energy generated through renewable resources, and the reduction in energy requirements as a result of these initiatives	62	Principle 8 Principle 9	Indicator responded partially and found only in the Green Store
EN8	Total water drawn in each source	57	Principle 8	Stores in São Paulo, Rio de Janeiro and Brasília were
EN18	Initiatives to reduce greenhouse gases and the reductions made	62	Principle 7 Principle 8 Principle 9	Indicator responded partially and found only in the Green Store
EN19	Emissions of substances harmful to the ozone layer, by weight	59	Principle 8	
EN21	Total discharge of water, by quality and destination	57	Principle 8	
EN26	Initiatives to mitigate the environmental impacts of products and services and the extension of reduction of such impacts.	57 e 62	Principle 8	Indicator responded partially and found only in the Green Store
EN28	Monetary value of significant fines and total number of non-monetary sanctions due to non-compliance with environmental laws and regulations	64	Principle 8	
LA1	Total employees by employment type, employment agreement and region	29 e 30		
LA2	Total number and turnover of employees by age group, gender and region	30	Principle 6	

Indicator	Description	Pages	Global Compact Principle	Remarks
LA4	Percentage of employees covered by collective bargaining agreements	30	Principle 1 Principle 3	
LA7	Rates of injuries, occupational illnesses, days lost, absenteeism and work-related deaths by region	33	Principle 1	
LA10	Average hours of training per year, per employee, broken down by functional category	30		Indicate total hours and not the average of the functional category
LA14	Proportion of base salary between men and women, by functional category.	30	Principle 1 Principle 6	
HR1	Percentage and total number of significant investment agreements that include clauses relating to human rights or were submitted for evaluation relating to human rights	47	Principle 1 Principle 2 Principle 3 Principle 4 Principle 5 Principle 6	Information relating to Global Sourcing
HR2	Percentage of companies contracted and critical suppliers that were appraised regarding human rights and the measures taken	47	Principle 1 Principle 2 Principle 3 Principle 4 Principle 5 Principle 6	Information relating to Global Sourcing
HR4	Total number of cases of discrimination and measures taken	33	Principle 1 Principle 2 Principle 6	
HR5	Operations identified in which the right to exercise the freedom of association and collective bargaining may be at significant risk and the measures taken to assure this right	30	Principle 1 Principle 2 Principle 3	

Indicator	Description	Pages	Global Compact Principle	Remarks
HR6	Operations identified as having significant risk of child labor and measures taken to abolish it	47	Principle 1 Principle 2 Principle 5	
HR7	Operations identified as having significant risk of forced labor or similar to slave labor and the measures taken to help eradicate forced or slave labor	47	Principle 1 Principle 2 Principle 4	
SO1	Nature, scope and effectiveness of programs and practices to evaluate and manage the impacts of the operations on communities, including entry, operations and exit	48 e 60		
SO4	Measures taken in response to corruption cases	47	Principle 10	
SO5	Stance taken with regard to public policies and participation in drafting public policies and lobbies	47	Principle 10	
PR1	Phases of the lifecycle of products and services in which the impacts on health and safety are evaluated for improvement and the percentage of products and services subject to such procedures	39	Principle 1	
PR6	Programs for complying with laws, norms and voluntary codes related to marketing communication, including advertising, promotions and sponsorships	43		

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Sustainability

Report

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