



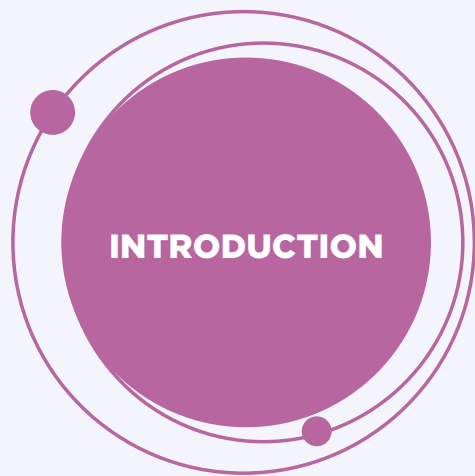
# ANNUAL & SUSTAINABILITY REPORT

# 2021





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# 01. INTRODUCTION

The Purpose  
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# THE PURPOSE OF OUR REPORT

This report is a practical example of our commitment to transparency and dialog and building a more responsible and more inclusive society. It explains how we do business and how our sustainability strategy is embedded in this business model, our differentials and challenges, the performance of our initiatives and projects developed, in addition to our financial and non-financial performance between January 01 and December 31, 2021. **[GRI 102-50]**

GPA has been publishing annual reports since 1999. To see our reports dating back to 2008 please click [here](#). All our reports address environmental, social and corporate governance matters (ESG). Our social, environmental and financial disclosures cover GPA group in its entirety, are consolidated and are benchmarked against 2021. In the context of this report, the terms “GPA”, “Company” or “Group” refer to GPA and all of its businesses, with each one mentioned by its name (i.e., Pão de Açúcar, Mercado Extra, Compre Bem and Grupo Éxito). **[GRI 102-52]**

All the disclosures presented in this Report, including historical ones, are classified from page 133 onwards.

A sample of the disclosures presented in this Report, under the section Performance Indicators and the auditors’ opinion (*pages 144 to 145*), have been independently assured by the firm KPMG Financial Risk & Actuarial Services Ltda. **[GRI 102-56]**

As a result of the corporate reorganization approved on December 31, 2020, which resulted in the spin-off between GPA and Assaí and Grupo Éxito being merged into GPA, this Report is not presenting information about Assaí and no longer uses the Multivarejo nomenclature (an internal subdivision of GPA in Brazil) which were presented in previous documents. The Report does include information about Extra Hiper and our Drugstores segment, which will be discontinued in 2022 **[GRI 102-49]**

Please send any queries, suggestions and comments about our Report to the email address [comunicacao.corporativa@gpabr.com](mailto:comunicacao.corporativa@gpabr.com) **[GRI 102-53]**



Retail staff at a  
Pão de Açúcar store





# METHODOLOGY

|GRI 102-46|

The monitoring, management and performance of our indicators is based on our sustainability strategy, with metrics to track the progress made by our initiatives and commitments. The topics addressed are conducive with our strategy and were prioritized based on the results of a survey conducted in 2020 on GPA stakeholders. This survey factored in the global situation, emerging sustainability trends, the main ESG indicators for the capital market and the expectations and interests of our stakeholders. The materiality study also included an online survey answered by more than 4 thousand people - including clients, employees, shareholders, members of the press, commercial partners and partners supporting us in socio-environmental initiatives - in addition to qualitative interviews with investors, directors, suppliers and NGOs.

In addition to material topics, another input for our strategy is the matrix of socio-environmental risks compiled since 2018, which is monitored and reviewed annually. The main associated issues, the mitigation strategy and the executive responsible for each risk are identified for five priority risks (see *page 45*). We are guided by the best global reporting and management practices based on the following guidelines and standards:

## Casino Group Methodology and strategic indicators

The main bases that guide the disclosure of the indicators presented in this Report are our sustainability strategy and the CSR Program of Casino Group, from our controlling shareholder, which meets the legal and regulatory requirements of its host country, France.

Our strategic indicators are submitted throughout the content and also in the Performance Indicators section, including historical data and a business-by-business breakdown, a document that can be viewed on *page 133*.



## Global Reporting Initiative (GRI)

We also report complementary indicators, proposed by the Global Reporting Initiative, an international organization that has developed a standard for sustainability reports. The GRI Index (*page 146*) provides an explanation of each indicator and the page on which it is located. Throughout the report, the acronym GRI-XXX-X shows the indicators presented there.



## Integrated Reporting

We also follow the guidelines issued by the International Integrated Reporting Council (IIRC), including a presentation of our business and capital model relevant to value creation (see *page 39*).



## Sustainable Development Goals (SDGs)

Additionally, we present the main Sustainable Development Goals (SDGs) to which our initiatives contribute, based on the 2030 Agenda endorsed by the United Nations (UN). At the beginning of each chapter, we show the SDG logos that relate to that content. On the SDG Map (*page 146 to 151*), we show which pages bring relevant content for each SDG presented.



## Sustainability Accounting Standards Board (SASB)

This independent US organization creates accounting standards for indicators, metrics in general, reports and other initiatives related to material sustainability topics that meet investor demands.



## Task Force on Climate-Related Financial Disclosures (TCFD)

The Task Force on Climate-Related Financial Disclosures makes recommendations for reporting financial information about climate change, in order to support decisions on this matter's impact on our businesses.





# 02.

## MESSAGES FROM MANAGEMENT

Message from the  
Board of Directors

Message from the  
Executive Board



# MESSAGE FROM THE BOARD OF DIRECTORS

[GRI 102-14]

In 2021, GPA had a year of success and achievements, as well as strong transformations that pave the way for a new cycle of evolution in the Group's business in Latin America.

In the first quarter of the year, the spin-off of the cash&carry business from GPA's retail activities was successfully completed. The major purpose of this transaction was to unleash all the growth potential of the two companies to enable better allocation of resources and opportunities, thus expanding their value generation. As a result of this spin-off, GPA is strengthening its position as a pure player in the retail industry, focused on premium and proximity formats combined with a strong digital strategy.

In line with the latest retail trends and changes in consumer habits in the Brazilian market, GPA announced in October its decision of divesting its hypermarket segment in Brazil by discontinuing the operations of the Extra Hiper banner by assigning all its 70 stores to Assaí, a process that were performed under the highest governance standards.

The Group will continue to boost the e-commerce food business from an open and collaborative platform strategy, combining its own assets (websites and apps), marketplace, and last mile strategic partnerships, in a dynamics that is increasingly adapted to the daily lives of customers, combining physical stores and digital platforms both in Brazil and Colombia. This new cycle is also allowing the Group

to implement a robust expansion plan, which foresees the opening of 200 new points of sale in the next 3 years.

Also guided by the principle of social and environmental responsibility that has always been directing Casino Group's performance and global guidelines, GPA kept its social investment in surrounding communities, coping with climate emergency, traceability of the value chain, and promoting diversity and inclusion.

The Group maintained its actions of solidarity and food security with donations that reached over 5,000 metric tons of products forwarded to 350 institutions partner of GPA Institute. The Éxito Foundation organized an increasing number of initiatives aimed at raising awareness of child malnutrition, benefiting more than 70,000 children in the year. Our agenda and commitment to tackle climate change resulted in our recognition in important rankings such as the CDP (Carbon Disclosure Project), reaching the A- score.

The performance of 2021 shows once again the ability of GPA's team to adapt to the new models of consumption and demands of society. GPA's vocation with innovation and real commitment to sustainable practices, combined with the strategic decisions made throughout the year, put the Group in a new direction, prepared to act in an environment of constant transformation, generating value and contributing to the development of territories where GPA is present.



***Transformations pave the way  
for a new cycle of evolution  
in the Group, which has  
a robust expansion plan,  
entailing the opening of 200  
new points-of-sale in the next  
three years."***

**Jean-Charles Naouri**

Chairman of the Board  
of Directors



# MESSAGE FROM THE EXECUTIVE BOARD

2021 was an intense and challenging year, and one of the most important in GPA's recent history. The Company underwent sweeping changes and took complex and brave decisions. It continued playing its essential role in another year beset by the pandemic, providing supplies to millions of households, whilst always protecting and looking after its staff and customers and seeking to advance positive impacts on social, environmental and governance fronts.

We began building a new GPA on the heels of strategic movements made last year. The year got underway with the spin-off of the wholesale business Assaí, with the cycle being completed with the discontinuation of the hypermarket format in Brazil. Supported by a mid- and long-term analysis of retail trends and the characteristics of the Brazilian market, a transaction took place that led to the assignment of 70 Extra Hiper stores to Assaí, under the strictest governance standards.

The energy is now being channeled to expedite our expansion plan, bolstering our core capabilities in segments with higher profitability and performance and performance in our portfolio – premium and proximity – local supermarkets and e-commerce in the food segment. This is a new GPA in a new cycle that bolsters our strengths and provides the best shopping experience, offering quality and progressive service levels based on the principle of “being where the customer wants us to be when they want us to be there”: in retail stores and digital channels.

This period also saw us cement our digital strategy, which had been expedited in 2020 at the onset of the pandemic and amid the requirement for social distancing. We enhanced our applications, tools and processes, bringing in new consumers to e-commerce and ramping up our omnichannel presence, which combines in-person and digital – encompassing marketplace, WhatsApp, our apps and open-source collaborative platforms. The implementation of contact-less, customer service, analytical, logistical, supply chain and HR management solutions in Grupo Éxito was ongoing in accordance with the strategy set for the period 2021-2023.

The Company is increasingly multiformat, multichannel and multiregional, with a presence in Brazil, Colombia, Argentina and Uruguay.

All these strategic changes enabled us to ramp up our expansion and renovation plan. Our planning in Brazil for the next three years includes opening stores under our Pão de Açúcar banner, including 14 Extra Hiper refits, and 100 Minuto Pão de Açúcar proximity stores, in addition to renovating over existing supermarket establishments. Our flagship enterprise, Pão de Açúcar is projected to account for over 50% of our business portfolio, rising to roughly 60% in 2024. Our digital acceleration will also take precedence - online purchases are estimated to be worth R\$ 45 billion in the retail food segment in this period alone, compared with the current R\$ 7 billion. This movement began in 2021 with six Pão de Açúcar stores



***2021 was an intense and challenging year, and one of the most important in GPA's recent history. Thanks to strategic movements, a new GPA is beginning to be built, strengthening our core capabilities.”***



undergoing a complete renovation to the Geração 7 store concept - which aims to make our customer experience even more special - and 50 units that underwent layout adjustments. We also resumed our brand expansion by opening a new store in the city of Limeira after four years.

Over the course of 2021 we opened 12 proximity stores (Minuto Pão de Açúcar and Mini Extra) and our first greengrocers, Pão de Açúcar *Fresh*. In the neighborhood supermarket segment, we completed converting Extra Super stores to the Mercado Extra banner, a process that began in 2018 which was successfully completed in the first quarter of 2021.

Grupo Éxito recorded a superb performance in its banners, as a result of Colombia's economy making a recovery, with rising demand and higher consumer confidence. The Group boosted its operations by acquiring five stores in Valle del Cauca, in Colombia, which will open in 2022 in the format Éxito Wow, offering physical and virtual retail in the store integrated into digital channels and services, thereby strengthening GPA's omnichannel strategy.

All of this took place in a highly challenging and volatile year with new Covid-19 waves and an economic crisis, with soaring inflation and lower income levels, which created instability in the sector. Despite this challenging situation, in 2021 GPA generated revenue of R\$ 56.4 billion, cash generation (EBITDA) reached R\$ 3.8 billion and net income amounted to R\$ 805 million. The Company expects to return its revenue levels to R\$ 50 billion in a few years' time, as an effect of the expansion plan which will also

be supported by the positive impact of the deleveraging provided by the transaction with Assaí, a better EBITDA margin and net income, which in a time of high interest rates is crucial for investing in sustainable growth.

The operation involves thousands of employees and millions of customers and the Company has committed to adopting socio-environmental practices that help build a more inclusive and responsible society. One such practice is valuing and fostering diversity and inclusion, which is now a reality at the Group. 52% of our employees are women and 37% of leadership positions are held by women, which we intend to increase to 40% by 2025.

This year GPA was awarded the WEPS award (Companies that Empower Women) in the category silver, an improvement on last year's bronze medal. In addition to gender equality we have four more priority topics in diversity: Inclusion and development of people with disabilities, racial equality, age diversity and respecting and promoting LGBTQIA+ rights. Diversity not only focuses on employees, given that we are striving for a more diverse value chain, working with suppliers, service providers and partnering organizations.

Our food collection program is also highly thought of, which mobilized the Company and its customers to donate more than 5 thousand metric tons of food products, benefiting 350 institutions across Brazil. Our partnership created in Colombia several years ago with local food banks continued, with roughly 1.5 thousand metric tons of products being donated in 2021.

The Group made progress in its climate action, through programs and processes that streamline our businesses and help drive down greenhouse gas emissions. Examples of this include deliveries by electric vehicles, which started this year, retrofitting cooling equipment and changing our energy matrix.

GPA stepped up the monitoring of its value chain. As a link between the producers and consumers, it continued enhancing processes to guarantee products in stores which respect and comply with sound environmental practices, whilst being affordable and of good quality. All of these initiatives led to us being listed in the B3 Corporate Sustainability Index (ISE) for the second consecutive year. These achievements we have been enjoying for many years are a source of great pride, and the Company is committed to continuing its transformation.

GPA is expecting that 2022 will also be a period of major upheaval and is preparing for another year of adaptation, through flexibility, agility and resilience, underpinned by the capabilities of a dedicated team that gets the job done every single day.

Everything the Company does is with a view to constantly promoting the purpose of feeding dreams and lives, in a legitimate way and to continue spearheading food retail, fostering increasingly healthy and sustainable consumption and our commitment to the society we are a part of.

## GPA Executive Board





# 03.

## GPA GROUP

- Our businesses
- Business strategy
- Corporate governance
- Financial performance
- Sustainability Strategy





# OUR BUSINESSES

Welcome to GPA, one of the leading food retailers in South America, with one of the most diversified sales platforms in the sector. Operating under a multiformat, multichannel and multiregional business model, we have a presence across all regions of Brazil as well as in Colombia, Uruguay and Argentina through Grupo Éxito. Our strategy enables us to supply customers with what they want, wherever they are and whenever they want it. **[GRI 102-1]**

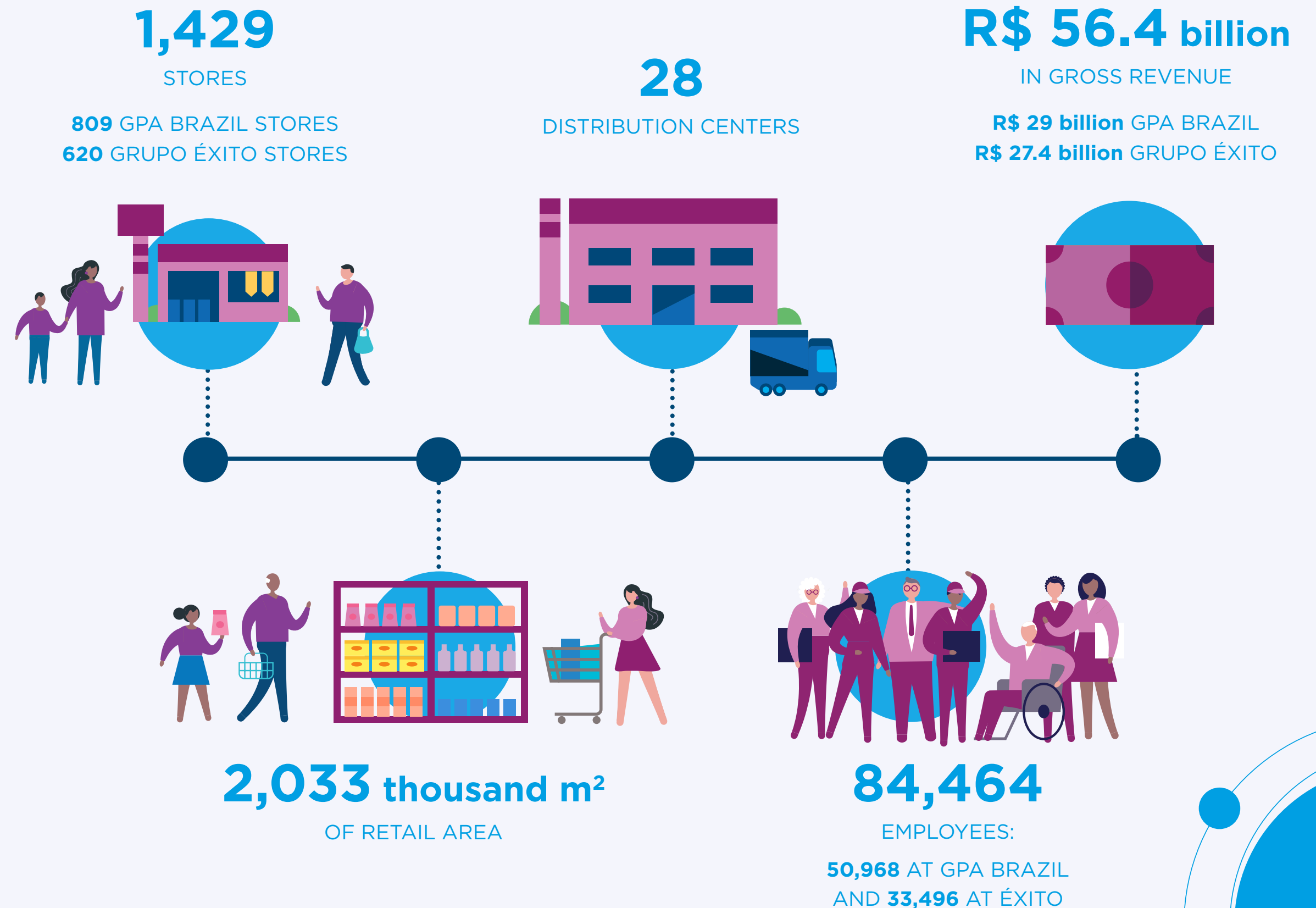
Our controlling shareholder is Casino Group. Our shares have been listed on B3 (Bolsa, Brasil, Balcão) since October 1995 and the NYSE (New York Stock Exchange) since May 1997.

In 2021 we made net revenue of R\$ 51.3 billion and operating cash generation (Adjusted EBITDA) of R\$ 3.8 billion. At the close of the year, 84,464 people were working in our operations - with 50,968 at GPA Brazil and 33,496 at Éxito - and we had 1,429 stores and 28 distribution centers. **[GRI 102-7]**

## AT A GLANCE

Our main business figures for 2021 are:

**[GRI 102-7]**

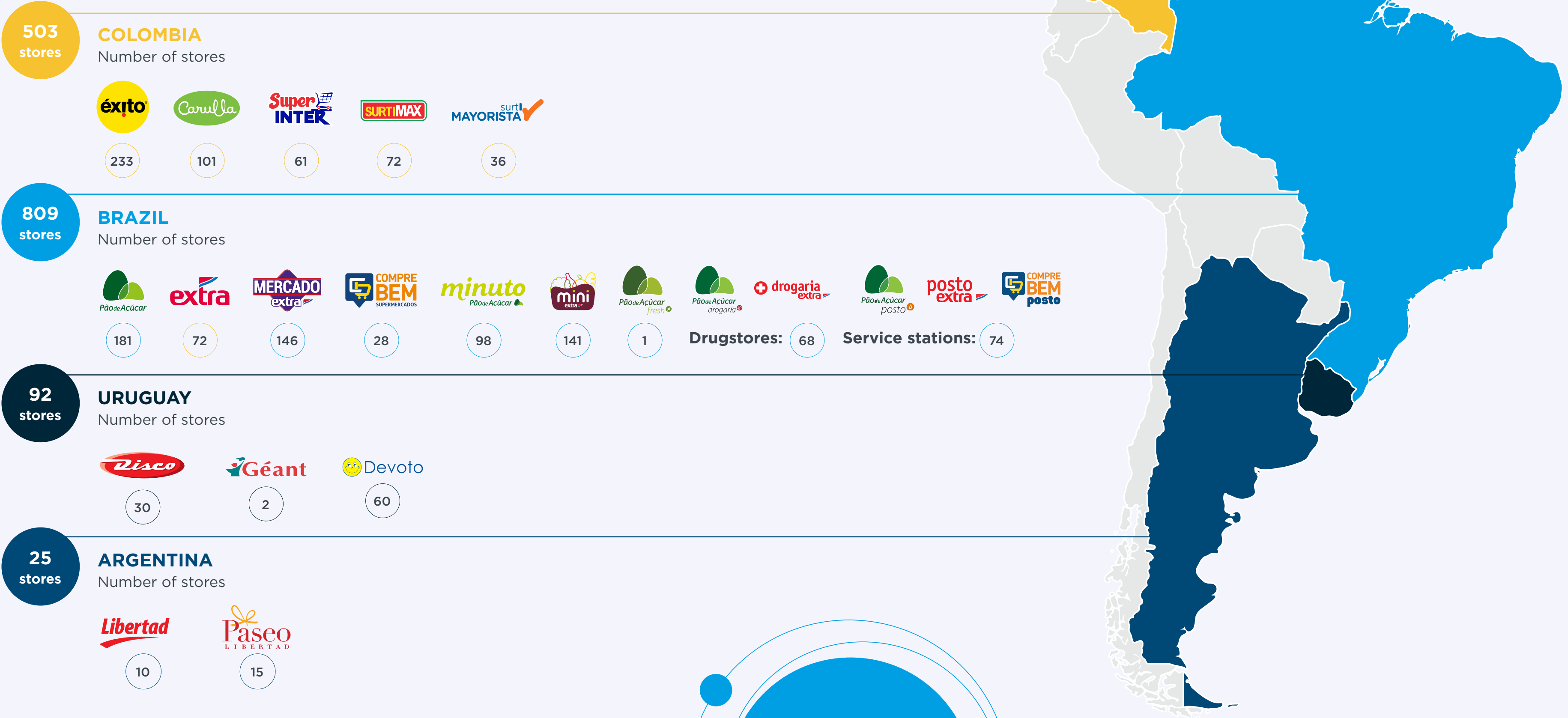




REGIONAL PRESENCE

[GRI 102-2, 102-4, 12-6]

We boast some of the best known and valuable brands and chains in South American retail.





# BUSINESS STRATEGY

In 2021, we took important business decisions founded on an in-depth analysis of market trends and new consumer habits, adapting to special market conditions and the reality and requirements of our customers. These decisions included the corporate reorganization that led to the spin-off of the wholesale operation Assaí, the decision to terminate hypermarket operations in Brazil, to focus on more profitable formats aligned with consumer preferences; adjusting our store portfolio, and defining our value proposition. **|GRI 102-10|**

The new strategy builds on previous movements, such as strengthening our digital platform and expanding food e-commerce, offered by Pão de Açúcar in various formats, and the unwavering focus on improving service levels and shopping experiences for our customers.

The aim of prioritizing more profitable segments is founded on three core aspects: Strengthening our brand; Operational excellence and Focusing on expansion, conversions and renovations.





## STRENGTHENING OUR BRANDS

We are proud to own some of the leading retail brands in South America, used by millions of consumers.

Our flagship brand, Pão de Açúcar, will benefit from the reinforcement of the banner's proposition - associated with happiness - and the ramping up of the loyalty program (Pão de Açúcar Mais), in addition to maintaining the focus on the premium segment, with a unique product range, digital solutions increasingly integrated into retail stores in all their formats and the increasing use of self checkouts, amongst other service-level initiatives.

Our supermarket brands include Compre Bem and Mercado Extra, which are based on a neighborhood supermarket model. For Compre Bem, we highlight the differentials in the perishables category, especially greens and bakery and butcher services, and identification with the clients in the districts the stores are located.

With Mercado Extra we highlighted the focus on consumers' everyday needs in a format that partners with our Private Labels, especially Qualitá. The Extra brand is also present in proximity stores (Mini Extra), e-commerce (*ClubeExtra.com.br*), loyalty program (Clube Extra) and gas stations.

Grupo Éxito's 2021-2023 strategy includes focusing on innovation in its digital transformation and operations, a major role for omnichannel, the monetization of assets and meaningful growth in adjacent businesses. Diversifying its revenue through asset monetization and traffic strategies enabled Grupo Éxito to be a trailblazer in the offering of a profitable portfolio in these sectors. This movement is

spearheaded by properties with shopping malls in Colombia and Argentina and financial services such as credit cards, digital wallets and payment networks. The Company is also engaged in other sectors in Colombia, such as travel, insurance, mobile telephony and cash transfers.

Examples of format innovation include the Éxito WOW hypermarket, a concept that blends physical and digital retail in a single shopping experience; and the premium supermarkets Carulla FreshMarket, the first smart retail store in Colombia and a standard sector in terms of sustainability, accessibility, innovation and customer experience.

Working with 12 startups, the Carulla SmartMarket has developed a range of successful initiatives that will be rolled out at other stores, such as Paga Comigo, Check&Go, Ready to Go, e-sommelier, SmileID, augmented reality, electronic tags, and a 3D sales circuit.

## OPERATIONAL EXCELLENCE

Building sustainable results and good experiences for customers relies on efficient operations. Guaranteeing a unique product range in all stores, offering new means of payment and digital solutions and greater integration between online and off-line processes are fundamental steps to creating value in our businesses. We accordingly have projects that assure essential operational gains, including:

- **Partnerships with last miles** – We have a presence in the leading food delivery platforms in the market, as well as operating through our own platform, James Delivery.

- **GPA Log** – Our logistical solutions company launched the fulfillment service in 2021 to guarantee fast deliveries, competitive shipping rates and traceability of orders made for partners of GPA's Marketplace.

- **Layout Distribution Control (CDE)** – An internally developed application maps out and customizes the layout and supplies for stores, with benefits including fewer manual processes, inventory adaptation, data updating, layout and product mix indicators and connectability with new management tools. Over a thousand people have been trained to use the application, including managers and heads of operation. This model is being rolled out in our supermarkets and proximity stores. Last year the model was introduced in 346 Mercado Extra and Pão de Açúcar stores, and we expect to add another 268 stores in 2022.

- **Operational Excellence at Grupo Éxito** – Implementation of the program in all countries to keep selling, general and administrative expenses within inflation, focusing on: logistics and supply chain (enhancing the operation, stores and dark stores configured to support omnichannel activities and inventory management); lean production arrangements (reviewing processes and structures in the business units); Collective purchases (commodities, including indirect goods, services and technology to provide cost savings); and back office, with opportunities to further enhance and centralize a whole host of processes.



## EXPANSION, CONVERSIONS AND RENOVATIONS

Our priority in Brazil is growing and strengthening the Pão de Açúcar brand by opening stores and carrying out renovations and conversions, in addition to focusing on supermarket formats (Compre Bem and Mercado Extra) and proximity stores, especially Minuto Pão de Açúcar.

2021 saw the group resume its expansion projects, including the opening of a Pão de Açúcar store in the city of Limeira, in upstate São Paulo (the first in four years and the first to comprise our expansion plan for 100 new stores in the next three years) and 12 proximity stores, including 11 Minuto Pão de Açúcar, 1 Mini Extra, and a Pão de Açúcar *Fresh* unit, the Group's latest concept. We also converted six Extra supermarkets to the Mercado Extra format, thereby concluding the completion between the banners, and made over nearly all of our proximity stores. We also overhauled the layouts of 50 Pão de Açúcar stores and completely renovated six units to adapt them to the G7 concept, which revitalizes flows, with plenty of fresh produce and service areas, also integrating digital transformation into the purchasing process.

In October we also launched a new business model, Pão de Açúcar *Fresh*, a format of neighborhood stores that prioritizes fruits, vegetables and greens alongside butcher, fishmonger, sushi, bakery and delicatessen services, and convenience products (such as breakfast items, olives, pasta and wine). We are the first to offer this format amongst major retail chains in the food sector in Brazil, which specializes in fresh healthy produce, reinforcing the concept of a caring brand, Pão de Açúcar, by offering

quality products that are healthy and sourced from sustainable production chains, such as encouraging the consumption of less well-known species of fish. Opened in São Caetano do Sul (SP), the first store has approximately 5.5 thousand items.

We are also expecting to leverage the Mercado Extra brand to strengthen our presence in coastal regions and the countryside. A number of the 103 Extra Hiper stores will remain a part of the Group and will be converted into Pão de Açúcar and Mercado Extra establishments.

## CORPORATE REORGANIZATION AND DISCONTINUATION OF THE HYPERMARKET SEGMENT [GRI 102-10]

GPA's proposed corporate organization was greenlighted on December 31, 2020, which culminated in the spin-off of the Assaí wholesale operation. This spin-off made it possible to set up two independent companies, with major strategic alignment and clearly defined business objectives, unleashing each company's potential and creating value for shareholders.

The deal was based on best corporate governance practices, and was approved exclusively by vote of independent directors of GPA and Assaí.

In October 2021, GPA also announced a transaction involving the conversion of Extra Hiper stores operated by GPA into *cash & carry*, which will be operated by Assaí. The new deal signed in December 2021 involved the assignment of 70 of the 103 Hypermarkets in Brazil, which will either be converted to the Assaí format (wholesale or cash-and-carry) or closed. A number of the other units will

## EXPANSION OF GRUPO ÉXITO

Grupo Éxito opened 57 stores in 2021, comprising new stores, conversions and renovations, and including eight Carulla FreshMarket stores and eight Éxito WOW stores. 50 to 60 new stores are projected for 2022, on top of the commercial operation of five stores acquired in 2021 in Valle del Cauca and Cundinamarca, in Colombia, which should operate as Éxito WOW in the first half of 2022.

Our Carulla Fresh Market stores offer a unique customer experience, including:

- ⦿ **Carulla Food Court:** the restaurant where you can eat healthy and nutritional meals.
- ⦿ **Green Market:** an establishment that offers a portfolio of organic produce, greens and bulk food products, and Taeq, with vegan and healthy food products.
- ⦿ **Fruver scan:** a self-checkout system designed to recognize fruits and vegetables using artificial intelligence.



begin operating under the Pão de Açúcar and Mercado Extra banners.

GPA's withdrawal from the hypermarket segment will allow it to:

- Expedite its digital platform, integrating its product portfolio with an enormous customer base;
- Focus on more profitable formats, with high growth potential (premium and proximity);
- Streamline the Group's structure in Brazil, improving execution and enhancing operational excellence
- Bolstering cash and reducing leverage.

The process of transferring the commercial establishments to Assaí was completed at the end of the first quarter of 2022.

### Aliados

Aliados is GPA's *business to business* (B2B) practice, created to supply neighborhood retail stores and other commerce channels. It is engaged in the sale of consumer products, such as groceries, beverages, cleaning and hygiene products.

In Brazil, Aliados has reached 1.5 thousand regional supermarkets and neighborhood supermarkets in São Paulo state. Its efficient and modern logistics mean a wide range of leading brands and products can be delivered straight to their door, which has resulted in substantial market growth.

### Private Labels

Our Private Labels are one of the best ways of guaranteeing customer loyalty and increasing consumer traffic in our stores. The more than 5.6 thousand food products couple quality with value for money, providing savings and competitive prices for our customers.

Meeting a growing demand in Brazil, our portfolio is currently comprised of Qualitá (day-to-day items, focusing on food and cleaning products), Taeq (a pioneer in healthy eating), Casino (imported and special products), Cheftime (meals ready to eat, take or prepare and gastronomic kits), Club des Sommeliers (wines from various countries), and others. Taeq also operates in Colombia (*see more on page 76*).

We launched more than 100 products in the course of 2021, and Private Labels accounted for 21.1% of GPA's overall sales, going down extremely well with customers, of whom 82% acquired at least one of our own brands.

Qualitá, our leading brand in terms of sales, volume and number of products, was spontaneously cited in the survey *The new reality of consumer habits*, carried out by Datafolha, as one of the brands discovered in the pandemic, in addition to being recognized by the Brazilian Association of Own Brands as having the highest market share and receiving the index RA 100 from *Reclame Aqui* - excellence in consumer service quality. And our Club des Sommeliers wine range received three gold medals in the Catad'or World Wine Awards.



Taeq products  
in store displays



## DIGITAL STRATEGY

Proper planning and efficient delivery are the pillars of our digital ecosystem, with an open-source collaborative platform strategy aiming to serve customers wherever they may be. This movement encouraged the Company to grow in food e-commerce, offering different forms of making purchases and deliveries. This digital transformation process focuses on efficiency, innovation, new business models, infrastructure and the use of technology, with the ambition of establishing ourselves as one of the largest data platforms in Brazil and Colombia.

In 2021, we seriously expedited our online businesses, to keep up with the new consumption profile created by the Covid-19 pandemic. Alongside this is the marketplace, logistics initiatives and the provision of complementary services to our partners. We also substantially bolstered our open-source platform structure with partners from last mile delivery companies, in addition to creating a new strategy for our own platform, James Delivery.

### Omnichannel reach

Using an open-source platform concept is aligned with our omnichannel strategy, which in addition to physical stores presents other ways for customers to acquire our branded products and services: via web, applications and social networks. We consolidated the omnichannel concept and the aim of “being where the customer is”, guaranteeing a complete shopping experience ready to meet the requirements of Brazilian consumers.

## Grupo Éxito in digital

In 2019, Grupo Éxito unveiled its Digital Transformation strategy and consolidated a powerful platform with the renowned sites *exito.com* and *carulla.com*, in Colombia; *devoto.com* and *geant.com*, in Uruguay; and *libertad.com* in Argentina. The Company also offers click&collect services, digital catalogs, home delivery and channels undergoing constant growth, such as apps and marketplace, through which Grupo Éxito has achieved major digital coverage in its international geographies.

We created a powerful omnichannel platform with a wide range of customer service, data analysis, logistics and supply chain solutions. Omnichannel sales accounted for 9.9% of total sales in 2021. Our applications Éxito and Carulla comprised other initiatives within a comprehensive commercial ecosystem, including our *Puntos Colombia* loyalty program, our Tuya Pay electronic wallet, integrated with Point of sale (POS) systems – and insurance policy sales. A recently launched version of the Éxito application improved the experience with smart shopping lists and other new resources.

The application is integrated into our Tuya Pay electronic wallet system, which customers can use to transfer money between accounts, click&collect or make payments via QR codes.

Separating products  
in the e-commerce  
distribution center





Éxito's main digital key performance indicators are:

- Sales penetration of 11.9%, 2.4 times more than in 2019.
- 7.8 million orders processed
- Omnichannel food sales: +11%, 10% penetration

Éxito offers a click&collect service, digital catalogs, home deliveries and a growing variety of channels, including our applications and marketplace platform, which helped us substantially expand our digital footprint. Our marketplace platform closed 2021 with 1,144 retail partners and accounts for 25.3% of our non-food gross value (GMV).



Employee making  
a Clube Extra  
delivery

## Sales performance

The Group's digital strategy is founded on three major fronts: 1P (own digital platform), 3P (Marketplace) and Partnerships (last mile). These YTD sales amounted to R\$ 1.7 billion, an increase of 53% on 2020 in the Gross Merchandise Value (GMV) concept, despite the strong comparison basis in the previous year. Digital channel sales already account for 7.9% of GPA Brazil's total food segment (compared with 5.0% the previous year), with peaks of up to 20% if the Pão de Açúcar Banner alone is considered.

Grupo Éxito's digital sales rose by 247.3% in GMV. More than 155 million visits and 1 million orders were registered at the sites *exito.com* and *carulla.com*.

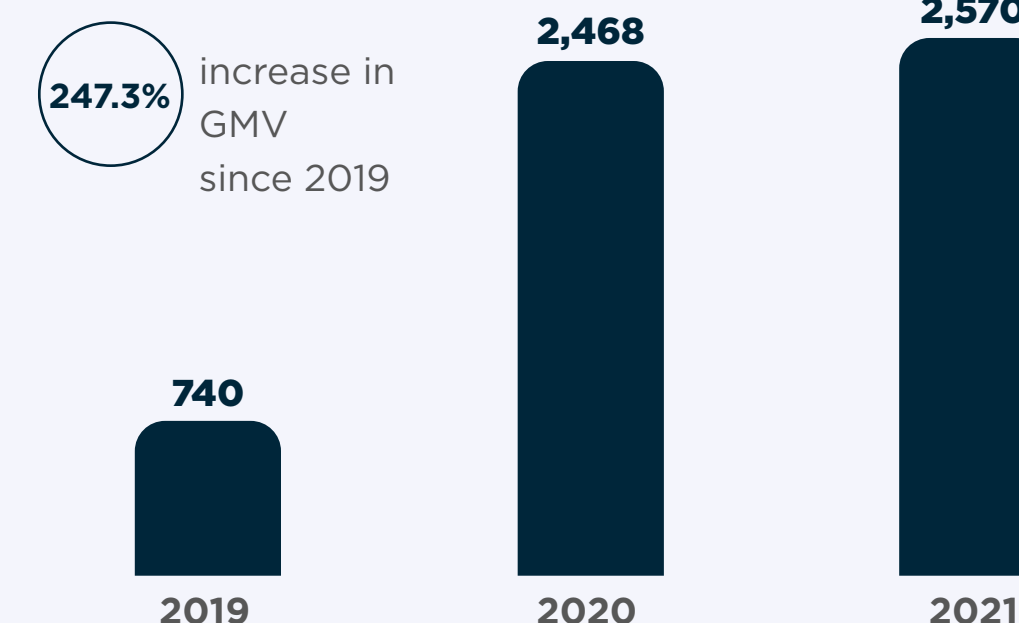
### 1P | Own digital platform

During the year we unveiled multiple initiatives that intensified e-commerce growth and improved the usability of our platforms: Sunday deliveries, Click & Collect in 1 hour, cashback, WhatsApp, PIX, 30-minute deliveries (Ultraconvenience), deliveries using electric vehicles and a new search tool. We also expanded our services to include: Scheduled deliveries, our James Delivery integrated last mile activity and Express deliveries and Click & Collect, present in more than 290 stores.

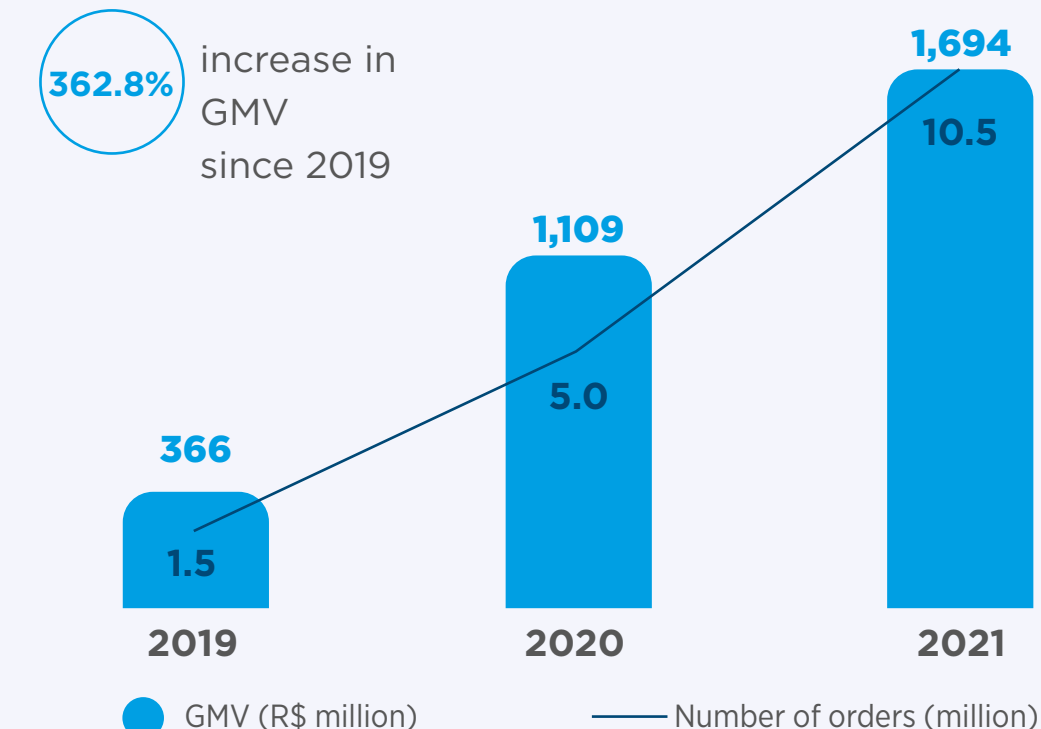
James Delivery, a start-up we acquired in 2018 to provide convenience and agility in deliveries, is present in more than 290 stores in 21 cities in 11 states. In 2021 we registered constant growth every month, in the number of bicycles participating in our James Delivery deliveries. This figure rose from 16.2% in January to 29.4% in December, our highest ever level for this form of delivery.

## DIGITAL SALES GRUPO ÉXITO

(R\$ million)



## TOTAL GROWTH IN GPA BRAZIL E-COMMERCE







*Chopp Fast operates the Heineken store in the GPA Marketplace platform. The results are exceptional, the team that serves us is dedicated, engaged and results-focused. We were taken aback by the dedication and care of the entire team which won our trust very quickly! Congratulations on your excellent work."*

**Jason Franco**, representative of Chopp Fast and operator of the Heineken store in the GPA Marketplace

### 3P | Marketplace

GPA's marketplace platform has driven strong e-business performance in Brazil and Colombia. The platform offers an ecosystem of *apps*, real estate tenant services, travel, insurance, mobile services, etc. Our pursuit of new partners for these platforms is constant and an example of this is the Instagram launch (GPA Marketplace), in order to work as a relationship channel between the sellers and GPA.

At Grupo Éxito, our marketplace has been operational since 2015 and closed 2021 with 1,144 partners and product sales growth of 25%. The platform offers approximately 175 thousand products in its catalog and had more than 239 thousand active users in the year (individuals, regardless of the number of transactions per customer).

Launched in Brazil in November 2020, the marketplace accounts for approximately 3% of e-commerce sales (from within our desktop, mobile and application platforms) closing 2021 with 1.2 thousand partner vendors compared with 183 in the first quarter of the year. This frenetic growth reflects the partnership with small business owners who could use our online platforms as a tool to expand their sales reach and sales flow, enjoying more than 560 thousand active offers in January 2022.

### Partnerships

Arrangements with open-source collaborative platforms expanded our footprint for digital sales, assuring agile deliveries for the last mile. They also expanded the option of fast deliveries and deliveries to other locations in Brazil. We see the variety of platforms and means of sale as an opportunity to strengthen our future e-commerce growth and expand the use of faster deliveries tailored to the new consumption profile of our customers, who are seeking practicality when shopping.

In Brazil we maintain partnerships with Rappi, Cornershop by Uber, Ifood, Ifood Restaurante, Americanas Mercado, Mercado Livre, Zé Delivery and Magalu.

In Colombia, our Carulla banner operates a partnership with Rappi and in 2021 it launched an ultrafast (10-minute) delivery service for perishables. The Turbo-Fresh service was leveraging a network of 64 *dark stores* at the end of the year, and accounted for 6.7% of the omnichannel GMV in the fourth quarter of 2021.





## Loyalty Programs

Our Pão de Açúcar Mais and Clube Extra loyalty programs boast *approximately 21* million active customers in Brazil; while the Puntos Colombia, Éxito and Carulla apps, in Colombia, had an additional 6 million users in 2021. Through these programs, we are able to gain insights into our customers' shopping habits to form personalized special offers relevant to their shopping behavior.

In Brazil, the apps' users enjoy multiple advantages, with specific discounts, privileged access to sales promotions and a rewards program, undergoing constant enhancement, by way of the Stix platform. Created by GPA and RaiaDrogasil, Stix is a rewards platform for the loyalty programs of these market-leading brands. The company is the first nationwide Brazilian ecosystem with retailer programs. Launched in the last quarter of 2020, Stix combines smart practical solutions for creating value for its partners with tangible benefits for consumers.

Stix operates as a single points program in a national network. Participants have unique advantages, such as transferring Stix points between members free of charge, ease to see how much their points are worth when cashing them in, fixed annual expiry dates and free transfer of iupp (Itaú) points to Stix.

At GPA in 2021 alone, more than 650 thousand customers cashed in their points for more than 2.8 million rewards, including products and vouchers. The latest development is *Stix no Caixa* (Stix at the checkout) whereby customers can opt to cash in their accumulated points for discounts when paying for purchases in physical stores, directly at the checkout, thereby saving money. Since its launch in

July 2021, 350 thousand customers have used Stix no Caixa, totaling more than 913 million points used and a better-than-expected conversion. The program's Net Promoter Score (NPS) is also developing with extremely positive feedback from customers on the new cash-in facility.

At the end of 2021, the Clube Extra and Pão de Açúcar Mais loyalty programs accounted for 50% of sales made by the two brands. The apps were updated to make them more accessible and user-friendly. The *Meu Desconto* (My Discount) algorithm has also evolved, and we are ever closer to the hyper customization of the range of benefits available to our customers in the app.

In Colombia in 2021 we launched the Aliados Banner application called Misurtii, which aims to digitize the purchasing journey, especially for neighborhood stores participating in the Program.



### PUNTOS COLOMBIA AS A CURRENCY

Puntos Colombia, a customer loyalty monetization program, was created through a joint-venture with the bank Bancolombia and currently has 5.5 million active customers. The loyalty program has more than 130 partners and could become the country's second currency. 28.5 billion points were accumulated and cashed in for products in 2021, with discounts of up to 100% on purchases in stores or digital channels, package deals, fuel and other offers from participating companies.



## CUSTOMER EXPERIENCE

This performance is supported by more initiatives focusing on enhancing the user experience (UX), which fueled e-commerce growth, including:

- Click & Collect:** this service allows customers to order online and pick up their purchases from more than 290 stores in Brazil within one hour of placing their order. We have found that around half of Click & Collect customers make additional purchases when collecting their order in-store. In Colombia this service is available at 320 stores and processed 1.4 million orders in 2021 (compared with 1.1 million in 2020).
- Express:** this service is supported by infrastructure in more than 290 stores, which enables products to be received the same day - within up to two hours of payment confirmation.



Customer at the  
self checkout  
in Mercado Extra

- Sunday deliveries:** catering to our customers' new habits, we have now begun delivering on Sundays too.
- We have ramped up deliveries** to wherever the customer is located, expanding our footprint within states and coastal regions.
- Scheduled deliveries (next day):** these were accounting for more than one third of total online sales at the end of the year.
- Deliveries by tricycle and electric vehicles** (for further information see page 87).
- 30-minute deliveries:** an ultraconvenience that we began offering in the third quarter of 2021.
- Purchases via WhatsApp:** a pilot project implemented at more than 90 stores and undergoing roll-out and automation in 2022.
- Social-media Login:** one of the leading trends for e-commerce with the strategic use of information held in the social networks of customers that register by using their Facebook and Instagram accounts etc.
- Greenery kits:** a pilot project for the sale of complete kits of local market items.
- Cashback:** we launched the first cashback campaign on the sites of Pão de Açúcar and Clube Extra.
- PIX payments:** GPA sites introduced this payment system in July, with substantial participation by customers, peaking in excess of 20%, with more than 30% of new customers now using this payment system.



Click and Collect  
area at a Pão de  
Açúcar store





*I started making purchases in the pandemic and loved it. I come here, pick up my orders and leave. I work in the evenings, so it's easier for me to pick up my orders on the way home. I make purchases two to three times a week directly on the sites of Clube Extra and Pão de Açúcar, so I compare both prices and choose items based on price. I only use the collection service, as it is more practical for me. I know everyone at the store and I love it here. This is one of the best Extra establishments and it really knows how to treat its customers”.*

**Marli da Silva,**  
a Click & Collect customer of a  
Mercado Extra store



## CUSTOMER SATISFACTION

We continuously track customer recommendations and satisfactions at our stores, e-commerce channels, products or services through customer surveys. **[GRI 102-43]**

As a recommendation indicator, we use the NPS (Net Promoter Score), in which customers answer from 0 to 10 how likely they are to recommend to friends, colleagues or family the store, e-commerce channel, product or service they have just used. Depending on their answers, they are classified as detractors, 0 to 6; passive, from 7 to 8; and promoters, from 9 to 10. To determine this NPS result, the percentage of the detractors is deducted from the percentage of promoters, thereby categorizing the product and/or service from:

- ⦿ - 100 to -1: critical zone
- ⦿ 0 to 49: improvement zone
- ⦿ 50 to 74: quality zone
- ⦿ Above 75: zone of excellence

Satisfaction levels are also assessed, based on the type of journey (online/off-line, product/service type etc), by asking customers questions (multiple choice and open-ended). The results are tracked by all leaders, so that short-, mid- and long-term actions can be taken in order to impact the experience in all shopping channels as positively as possible.

We also carry out periodical qualitative surveys and listen to customers for all fronts, always with the aim of listening to the client to guide and endorse actions of enchantment and improvement.

In 2021, Minuto Pão de Açúcar came third in the NPS Award 2021, also receiving the NPS *Top Companies* certification, awarded to the companies with the highest NPS in their segments, carried out by SoluCX in partnership with *Exame* magazine.



Customer  
purchasing  
Taeq produce



## INNOVATION – GPA LABS

We maintain a corporate facility exclusively dedicated to innovation, GPA Labs. It was set up in 2017 to be a market leader and internally drive this culture, acting as a transformation agent for the development of innovation ecosystems. It is working towards an increasingly digital retail system and identifies continuous improvements in our customers' experience journeys.

We closed 2021 with 114 partnering start-ups, with which we developed the following innovation verticals: food technology (Foodtechs) and services for customers (B2C), human resources (HR Techs), logistics (Logtechs), Data Analytics, automation of corporate, marketing and advertising processes (Martechs & Adtechs) and general retail services (Retail & Servicetechs). These projects are aligned around our sustainability strategy, including initiatives to reduce the use of natural resources and raise awareness about production and healthy eating, through

projects such as *Muda Meu Mundo* (Change My World) and foodtech products related to the topic.

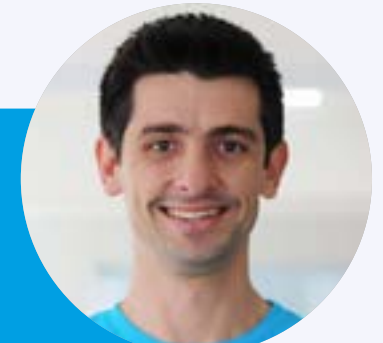
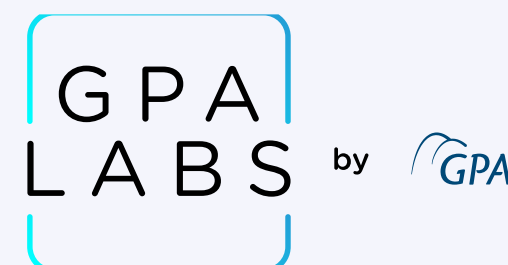
We launched the first **GPA Labs Open Innovation Challenge**, in partnership with FIC – a joint venture we maintain with Itaú – and Visa, merging the businesses to propel digital FIC card sales. We rely on more than 20 registered firms and selected two start-ups – Squid and HartB – to carry out the pilot project which is under development and is expected to be implemented in the course of 2022.

The leading projects in 2021 were: **Muda Meu Mundo**, which brings together smallholders and retailers (*the project is detailed on page 69*), and **Inclue**, initiated in 2020, which aims to include disabled customers (*for further information see page 111*), as well as jointly creating the stick ice creams of the start-up **Lowko** – which produces low-calorie ice creams made from natural ingredients, without adding sugar or artificial sweeteners –, where we carry out market research into consumer behavior for this category and product testing on customers. Post-launch, these products can now also be found in Pão de Açúcar stores in the city of São Paulo.

Another noteworthy innovation in the period was the software produced by the firm **SoluCX** to manage the customer experience in any channel through the use of recommendation and satisfaction surveys (*for further information see page 22*).



Foodtech products



*SoluCX has participated in multiple corporate innovation programs and we firmly believe GPA Labs has been the most productive. This achievement is clearly enabled by having an innovation team working closely with GPA's business divisions, who have bought into the agreed objective thereby enabling the start-up to show what it can do. This was most productive for SoluCX, because we are accessing a retail segment we had not yet penetrated and will benefit greatly by adding value to one of the leaders."*

**Tiago Serrano**, SoluCX CEO, a partner start-up of GPA



## GPA LABS 2021 AWARD

We recognized the projects created in partnership with start-ups and scale-ups that presented solutions for the Company's daily routines. Technology, innovation and Agile culture initiatives received awards in addition to those developed under the Innovation Network Program, in more than ten categories, including acknowledgment of a pilot project and roll-out with partnering start-ups. More than 40 projects were enrolled, and awards went to: Dynamic shipping for e-commerce, from the IT department and Pilot with Digital Seals, from Loyalty Programs. The online event enjoyed an impressive attendance, with more than 500 participants.

## Acceleration Programs

For the second year we are maintaining our partnership with Endeavor, the largest accelerator of ventures and solutions in Brazil, sponsoring the Retail Tech & Operations and Consumer Goods acceleration programs. We also participated in the Corporate Hub, a network of open innovation and Corporate Venture Capital leaders for sharing experiences, team and departmental training and addressing challenges through connections with scale-ups (new high-growth firms). Through Endeavor we also sponsor scale-up acceleration programs, so they can help develop new retail solutions. 666 scale-ups were mapped, with 25 selected, 17 of which are in contact with GPA.

In addition to Endeavor, we partner with start-ups on other important projects. In 2021, in an engagement focused on foodtech, GPA Labs supported three scale-ups specializing in healthy products, promoting healthier diets: PicMe – which offers sandwiches free of preservatives, coloring or any other artificial ingredients, in line with the Clean Label philosophy; LowKo and HiperVeg, which pursue solutions for vegan products and services.

In conjunction with Chatclass, a start-up which has a *WhatsApp* education program, we also developed a pilot project for teaching Agile methodologies to teams not directly involved in technology and/or that are not digital (such as pricing and product mixes). This enabled us to nurture an agile culture and digital transformation at the Company, supported by the Innovation Network (IN) program.



Employee standing by the  
Company's values board







Online IN meetup



Agile Methodology Training



Program 3.0 Graduation Ceremony

## Innovation Network Program

One of GPA's values is being willing to innovate, and we endeavor to make this an everyday part of our employees' routines. We achieve this through the Innovation Ambassadors Program, Innovation Network (IN), created in 2019 to expand innovation and encourage its application in business areas, by identifying each sector's challenges and pursuing solutions in market start-ups and scale-ups.

In the initiative's third edition in 2021, we doubled the number of ambassadors to 62, who in addition to presenting their business pains and opportunities could also work in squads (multidisciplinary teams) on macroprojects of strategic importance to the Company. The Program also embraces the so-called ninjas, employees from various key areas who help implement the

IN projects, and the alumni, who participated in previous editions of the program and who bring experience for new challenges and rolling out developed projects. Eight ninjas and ten alumni were active in 2021.

Over the course of the year the innovation ambassadors took part in training on matters including project communication, management and presentation, design thinking, time management and the innovation mindset; in addition to meet-ups, monthly meetings, for participants to share stories and present project status and schedules. We ran 16 initiatives for customer experiences in-store and digital, in new sales channels and businesses, ESG and operational efficiency in 2021.

Two IN leading lights in the year were the **Agile culture project**, which aims to expand the matter to areas not directly related to technology, such as Product Mixing and

Pricing, as a case study for connecting to GPA's digital and cultural transformation; and the **first ideas contest for the store operations team**, bringing state-of-the-art innovation to the Company and which received more than 200 project enrollments and more than 20 ideas implemented.

Due to the success of this edition, the 2022 Innovation Network Program has been confirmed and IN 4.0 is all set to go online in March.

For 2022 the initiatives will focus on ESG, the customer's experience in our channels (online and off-line) and new businesses in food retail. We will also ramp up innovation in the Pão de Açúcar banner, coming up with unique products and services for our consumers. On the culture front, GPA Labs will endeavor to foster the GPA *Mindset to innovate*, focusing increasingly on an agile and digital innovation culture.



# CORPORATE GOVERNANCE

We strive for agile and consistent reporting, out of our commitment to the capital market and respect for shareholders and investors. Our share capital is comprised of 269 million common shares traded at B3 – the Brazilian stock exchange under the symbol PCAR3 and in the form of American Depositary Receipts (ADRs) on the New York Stock Exchange (NYSE), under the symbol CBD.

We are committed to the regulations and best practices for listed companies, adopting national accounting standards and maintaining listed company status in accordance with the requirements of the Brazilian Securities Commission (CVM). Overseas we follow the requirements of the Securities and

Exchange Commission (SEC) and NYSE for foreign companies listed in the US.

Our corporate governance model is aligned around *Novo Mercado* (New Market) practices. This is a segment of B3 for companies presenting the highest standards of corporate governance in Brazil, which we joined in 2020. As a result of this, GPA’s capital traded on the stock exchange solely consisted of common shares (ON).

Our Board of Directors and Executive Board have defined roles and responsibilities that are essential to running the business smoothly. We have a solid management structure and a well-structured institutional risk management process.

## OWNERSHIP STRUCTURE<sup>1</sup> | GRI 102-5|

| Shareholder            | Common shares (million) | Equity interest (%) |
|------------------------|-------------------------|---------------------|
| Casino Group           | 110.5                   | 41.0%               |
| Officers and Directors | 1.0                     | 0.4%                |
| Treasury Shares        | 0.2                     | 0.1%                |
| Free float             | 157.6                   | 58.5%               |
| Total                  | 269.4                   | 100.0%              |

<sup>1</sup> Position at December 31, 2021.

## GOVERNANCE STRUCTURE | GRI 102-18, 102-22|

### Board of Directors

This currently consists of nine members, three of whom are independent. The Board is tasked with defining strategy, conducting the corporate governance process, electing our officers and overseeing senior management. It meets ordinarily six times a year and extraordinarily whenever convened. Its members are shareholders elected at general meetings to serve a two-year term. The Chairman of the Board does not hold an executive role at the Company. | GRI 102-23|

### Committees

The Board is advised by five committees consisting of internal and independent directors:

#### Audit

- This analyses and monitors the quality and integrity of the Company’s quarterly information, financial statements and the Management Report;
- It assesses the effectiveness and adequacy of the internal control structure and the internal and independent audit processes;
- Analyses related-party transactions;
- Monitors risk exposure.

Members of this Committee: Eleazar de Carvalho Filho (coordinator), Fernando Múrcia, Gisélia da Silva, Renan Bergmann and Christophe Hidalgo.



### Sustainability and Diversity

- It advises the Company's Board of Directors on all matters related to sustainability and diversity, recommending any changes or revisions of strategic investment proposals;
- Aids the Company in efficient management and recommends the adoption of programs for waste management, motivating smallholders and food safety;
- Analyses related-party transactions involving the Company and addresses situations which could constitute a conflict-of-interest in operations;
- Prepares planning and assures risk management, encompassing the Company's strategic, tactical and operational activities;
- Advises the Board of Directors on implementing risk management methodology at the Company, assisting the analysis and approval of the strategy, defining priority risks and exposure levels, amongst other related actions.

Members of this committee: Arnaud Daniel Charles Walter Joachim Strasser, Helio Mattar, Luiz Augusto de Castro Neves, Rafael Sirotsky Russowsky and Ronaldo Iabrudi dos Santos Pereira.

### Human Resources and Corporate Governance

- Discusses and puts forward the Company's organizational structure model, people development and management policies and guidelines for attracting and retaining talent;

- Identifies potential future leaders and tracks their career development;
- Examines and debates the recruitment and hiring methods in place at the Company;
- Examines applicants to be elected to the Board of Directors and the Special Committees; as well as to the position of Company officer;
- Examines and discusses compensation and rewards policies;
- Recommends and monitors the implementation of best corporate governance practices and coordinates the process of implementing and maintaining them;
- Prepares or periodically reviews the Company's codes, regulations and policies.

Members of this committee: Arnaud Daniel Charles Walter Joachim Strasser (president), Rafael Sirotsky Russowsky, Luiz Augusto de Castro Neves and Ronaldo Iabrudi dos Santos Pereira.

### Financial

- Reviews the financial and economic viability of investment plans and programs;
- Recommends negotiation measures for any merger, acquisition or transaction;
- Reviews cash flow, debt policy and capital structure;
- Monitors and supervises the implementation and realization of the annual investment plan;

- Recommends financing opportunities that could enhance our capital structure.

Members of this committee: Eleazar de Carvalho Filho (president), Arnaud Strasser, Hervé Daudin, Renan Bergmann and Christophe Hidalgo.

GPA  
Headquarters,  
in São Paulo





## Innovation and Digital Transformation

- ◉ Recommends and monitors the adoption of best innovation practices and coordinates the implementation and maintenance of such practices at the Company;
- ◉ Prepares or periodically reviews any documents related to the Company's innovation, advises the Board of Directors on analyzing technological and innovation trends, and assesses the Company's projects, initiatives and investment proposals from an innovation perspective;
- ◉ Monitors and advises on the Company's strategies related to information security and privacy.

Members of this committee: Ronaldo labrudi (president), Christophe Hidalgo, Jorge Faiçal, Rafael Russowsky and Sangeet Paul Choudary.

## Statutory executive board

Consists of four members elected by the Board of Directors, namely the Chief Executive Officer, Vice President of Finances and Investor Relations, a Chief Operating Officer and a Business officer.

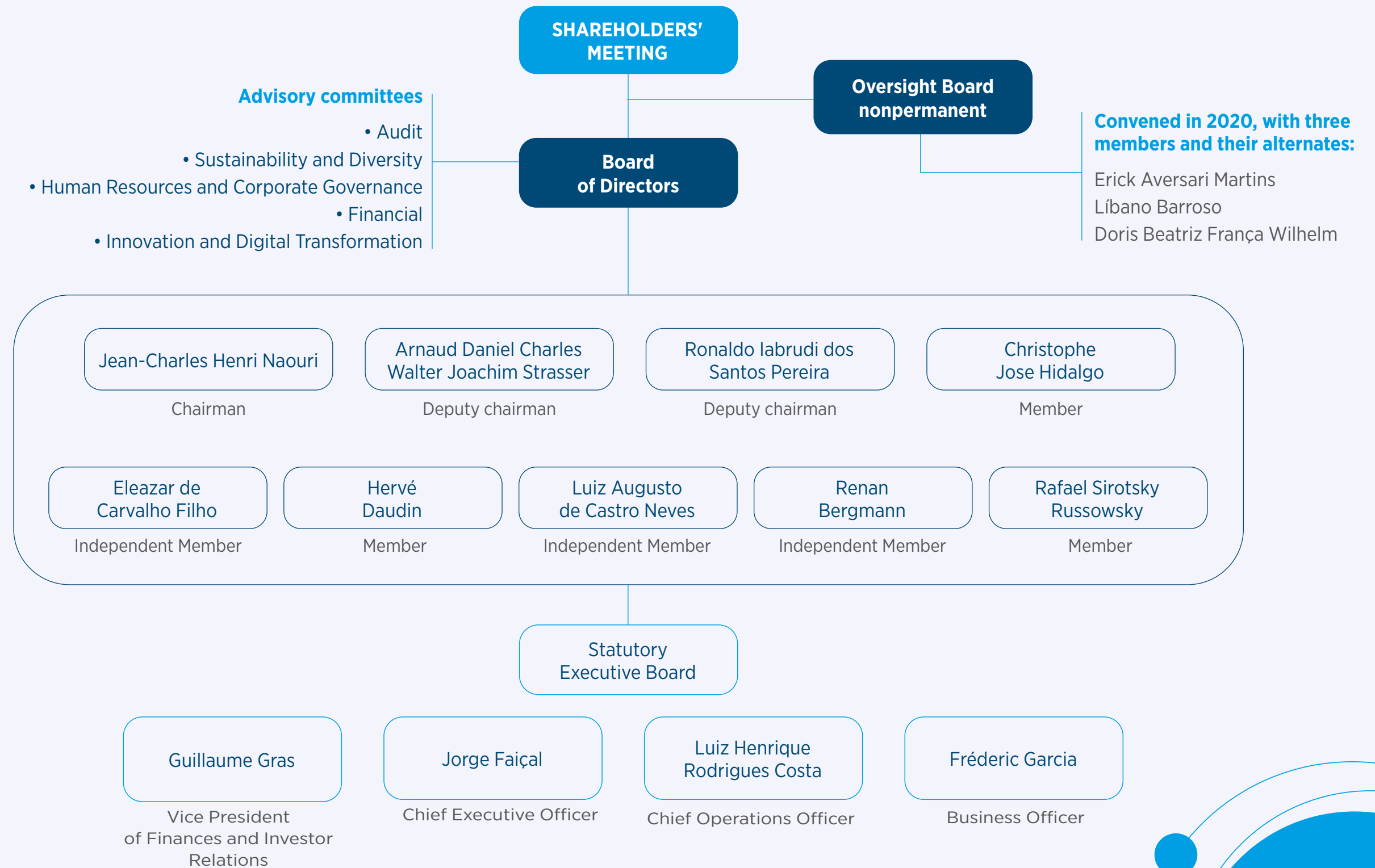
Our Investor Relations site presents the resumes of our directors and executives

## Oversight Board

Nonpermanent board convened at the shareholders' request, consisting of three serving members and an equal number of alternates. This board was active in 2021.

## EXECUTIVE MANAGEMENT

[GRI 102-22 and 102-23]



Composition of the Board, Committees and Executive Board as of December 31, 2021



## Governance at Grupo Éxito

Grupo Éxito, in which we directly or indirectly hold a 96.57% equity interest, is listed on the Colombian Stock Exchange. The Board of Directors has nine members elected in a general meeting, three of whom are independent.

### Members:

Ronaldo labrudi dos Santos  
Peter Paul Estermann  
Christophe José Hidalgo  
Rafael Russowsky  
Philippe Alarcon  
Bernard Petit

### Independent members:

Ana Maria Ibáñez  
Felipe Ayerbe Muñoz  
Luis Fernando Alarcón

Group management is supported by five committees of board members: Audit & Risk; Nomination, Remuneration & Corporate Governance; Business & Investment; Financial; and Sustainability.

The Board of Directors appoints the members of the Executive Board, which is comprised of a CEO, a chief retail operations officer/Colombia and eight vice presidents (Financial; Commercial & Procurement; Services; Marketing; Real Estate; Human Resources; Corporate Affairs; and General Secretary).



Éxito WOW  
comprises  
physical and  
digital retail

**96.57%**

direct and indirect interest  
in the share capital of  
Grupo Éxito



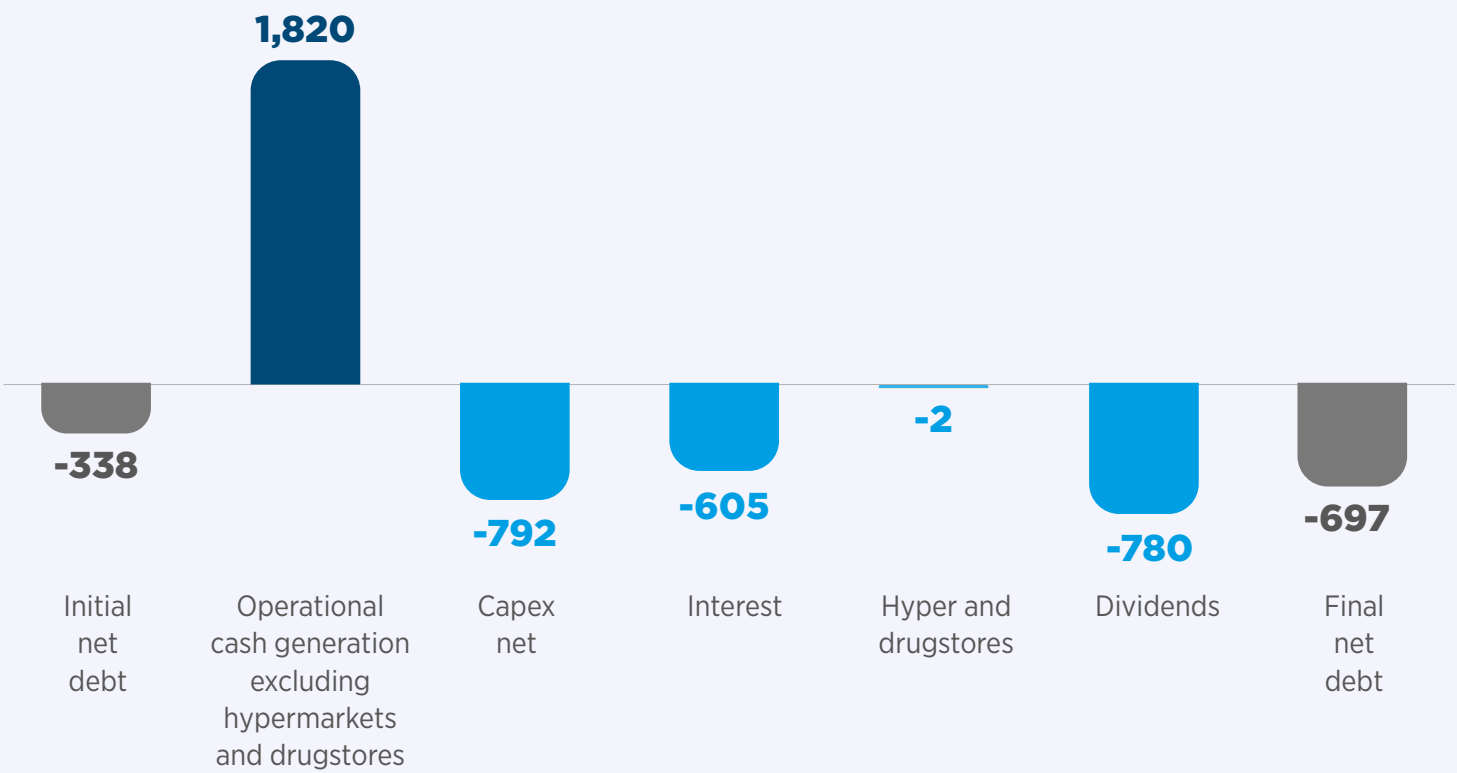
# FINANCIAL PERFORMANCE

## 2021 Results

The Group’s consolidated gross sales revenue amounted to R\$ 56.4 billion, with R\$ 29 billion provided by GPA Brazil and R\$ 27.4 billion by Grupo Éxito. Net revenue was R\$ 51.3 billion. **[GRI 102-7]**

The Adjusted EBITDA was R\$ 3.8 billion, with a consolidated adjusted EBITDA of 7.4%, a decrease of 0.4 p.p on the previous year. The consolidated net income of parent companies amounted to R\$ 805 million, despite the fall in consumption in Brazil and Colombia’s economy only making a recovery in the second half of the year.

## DEBT PERFORMANCE



## Debt

The net debt including the balance of unfactored receivables was a consolidated R\$ 697 million at GPA as of December 31, 2021. The Company therefore sustained its low level of leverage, with a net debt/adjusted EBITDA ratio of -0.3x and a robust cash position of R\$ 8.3 billion. **[GRI 102-7]**



## Investment

Capex amounted to R\$ 1.3 billion, 7.2% more than the previous year. In Brazil, the investments were concentrated on store renovations/conversions, innovation and accelerating digital transformation projects, including systems, marketplace and last miles, IT and logistics infrastructure and other efficiency improvement projects. At Grupo Éxito, around 66.7% of Capex is related to innovation, omnichannel and digital transformation initiatives.

## INVESTMENT (R\$ million)

|   | 2020         | 2021         | Change      |
|---|--------------|--------------|-------------|
| New stores and land acquisitions              | 54           | 79           | 45.4%       |
| Renovations, conversions and maintenance work | 344          | 338          | -2.0%       |
| IT, Digital and Logistics                     | 447          | 314          | -29.9%      |
| Total investments GPA Brazil                  | 846          | 730          | -13.7%      |
| Total investments Grupo Éxito                 | 337          | 539          | 59.7%       |
| <b>Total consolidated investments</b>         | <b>1,183</b> | <b>1,269</b> | <b>7.2%</b> |



# SUSTAINABILITY STRATEGY

Our sustainability strategy comprises priority topics for planning and strategically developing our business. In 2021, we reviewed our operating pillars, forming a new grouping to reinforce the connection and alignment around our business and sustainability strategy. These pillars also support the *Casino Group CSR Program*, Casino Group's corporate social responsibility program, so we can maximize the creation of positive value for our stakeholders in our various sectors.

The five pillars are:

- Responsible supply chains for conscientious manufacturing and consumption
- Tackling climate change
- Commitment to ethics and transparency
- Diversity and inclusion
- Social impact and promoting opportunities

These pillars include all material topics prioritized which we identified in 2020 from GPA's stakeholders. The methodology factored in the global situation, emerging sustainability trends, the main ESG indicators for the capital market and the expectations and interests of our



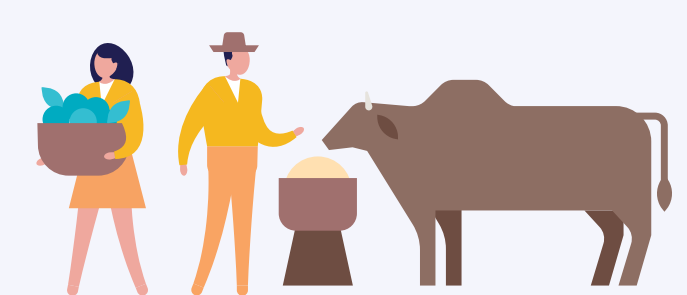
## SOCIAL IMPACT AND PROMOTING OPPORTUNITIES

- ✓ Mobilizing and engaging society



## RESPONSIBLE SUPPLY CHAINS FOR CONSCIENTIOUS MANUFACTURING AND CONSUMPTION

- ✓ Value chains committed to the environment, people and animal welfare
- ✓ Mitigating socio-environmental risks in supply chains and promoting Human Rights
- ✓ Healthy, sustainable and inclusive production



## TACKLING CLIMATE CHANGE

- ✓ Innovation and Environmental Management



## COMMITMENT TO ETHICS & TRANSPARENCY

- ✓ Transparency and consistency
- ✓ Data protection and information security



## PROMOTING DIVERSITY AND INCLUSION FOR OUR PEOPLE

- ✓ Diversity and Inclusion
- ✓ Growth and professional development
- ✓ Safety and quality of life



stakeholders. For these parties we maintain a Policy of Relations with the Community and Stakeholders, which are impacted by our operations and influence our business decisions.

**[GRI 102-42, 102-43]**

The materiality study also included an online survey answered by more than 4 thousand people - including clients, employees, shareholders, Private Label suppliers and other suppliers, service providers, civil society organizations - in addition to quantitative interviews with investors, directors, executives, suppliers and NGOs. **[GRI 102-40]**

After consolidating respondent insights, we weighted the answers respondent category according to the degree of impact and relevance to our business. This produced a matrix of topics of importance to our stakeholders, which we will prioritize by 2023, when we will begin reviewing the topics.

On the opening page of each chapter in this Report we specify how the material topics and strategic pillars relate to our initiatives.

## MATERIAL TOPICS **[GRI 102-44, 102-47]**

-  Tackling climate change
-  Waste management
-  Offering healthy, sustainable, and safe products
-  Consumer awareness
-  Good labor environment with development opportunities
-  Developing sustainable practices in the supply chain
-  Promoting Human Rights
-  Diversity, inclusion and combating discrimination
-  Relations with local communities
-  Good ethical and governance practices
-  Information security and privacy
-  Enhancing customer experience



Fruit and vegetables in store



## ÉXITO'S STRATEGY AND CHALLENGES

At Grupo Éxito we are committed to sustainability and, in everything we do, we work to ensure our activities support our country's growth, good corporate governance, transparency, equity, strong institutions and compliance with applicable laws and regulations, in accordance with stakeholders' expectations, the Global Compact principles, and global sustainability standards.

In 2020, we launched a strategy based on the Group's materiality matrix, based around six challenges:

- ◉ **Zero malnutrition** – Through the Éxito Foundation, we are working to eradicate chronic infant malnutrition in Colombia by 2030.
- ◉ **Sustainable sourcing** – Creating value and trusting relationships with our partners and suppliers by advancing sustainable practices and implementing programs to support their growth, expanding local and direct procurement, and supporting industries and disadvantaged communities.
- ◉ **Meu Planeta (My Planet)** – Maximizing the positive impact on the environment and working to reduce, mitigate and offset the adverse impacts from our operations on our planet, and to raise environmental awareness among our different stakeholders.
- ◉ **Healthy lifestyles** – We engage our customers, employees and suppliers around adopting healthier and more balanced lifestyles through a portfolio of products and services that help people create healthier habits.
- ◉ **People are the secret to Grupo Éxito's success** - Being attractive, diverse and inclusive, promoting diversity, inclusion and social dialog.
- ◉ **We act with integrity** – Building trust with stakeholders as part of a comprehensive initiative compliant with corporate governance, ethical and transparency guidelines and respect for human rights.

These challenges were established based on Éxito's material topics, which include: climate change; supporting local economies and inclusive growth; attracting, retaining and developing talents; advancing a circular economy - packaging; diversity and inclusion; and protecting biodiversity. Material topics at the Group level include the region's geopolitical landscape; enabling Éxito Foundation's strategy; and managing our supply chain. Adding to these are the following emerging topics: food waste; access to healthy lifestyles; water stewardship; animal welfare; and sustainable real estate development and management.



FLV display in a Carulla  
FreshMarket store

See details about  
Grupo Éxito's work  
in the Sustainability  
Reports





## EMBEDDED IN OUR STRATEGY

We embed social, environmental and governance matters into our business model and strategy, which is reinforced by adding targets ranging from sustainability indicators to performance-related pay for eligible positions. The Sustainability and Diversity Index (ISD) has been establishing these commitments since 2016. The ISD had two indicators in 2021:

- Number of women in leadership positions (managers and above);
- Reducing CO<sub>2</sub> emissions (scopes 1 and 2).



Planting seedlings  
in a Carulla store

We also had specific targets for other areas of the Company and executives that are crucial to the development and implementation of processes and/or projects (e.g. lowering refrigerant consumption, waste and energy consumption, amongst others).

The importance of sustainability topics to the Company's everyday routine is also exemplified by the work of the Sustainability & Diversity Committee, which has been advising the GPA Board of Directors since 2014. This Committee is responsible for guiding and ensuring the adoption of best sustainability practices in our businesses, fostering discussion about sustainable development policies and initiatives and emerging themes of importance to members of the Company's Board of Directors and Executive Board. It also monitors key indicators for ESG matters and evaluates critical policies and practices with high impact.

Grupo Éxito also has a dedicated Sustainability committee that sets our strategy and defines best practices for sustainable development and corporate social responsibility. Corporate responsibility indicators such as our carbon footprint and diversity data - are factored into executives' variable compensation.

## Sustainability Indexes

Our management processes and initiatives resulted in our returning to the 17<sup>th</sup> Portfolio of the B3 Corporate Sustainability Index (ISE). The ISE acknowledges companies fostering sound environmental, social and corporate governance practices. The Portfolio contains 46 shares from 46 companies in 17 different sectors and covers the period January 03 to December 30, 2022.

Since 2011, we have been part of the B3 Carbon Efficient Index (ICO2), which brings together companies that demonstrate a commitment to the transparency of their emissions and reveal how they are preparing for a low-carbon economy.

We were also chosen to comprise the 2022 Bloomberg Gender-Equality Index (GEI), which included 418 companies from 45 countries and regions. We comprise the select list of just 13 Brazilian companies and are the only national retailer.

Éxito's high standards of sustainability have been recognized by our inclusion in S&P Global's Sustainability Yearbook 2022 - the world's most comprehensive publication on corporate sustainability. The Yearbook relies on information collected through a Corporate Sustainability Assessment (CSA), and features the top 15% of companies from each industry. In our ninth year as a constituent of the Index, the Grupo Éxito performance improved on the previous editions, especially in categories such as health and nutrition, privacy protection, sustainable farming practices, and genetically modified organisms. The Group has voluntarily answered the DJSI questionnaires as a way to align the business with international best practices.



## Voluntary commitments | GRI 102-12|

Integrated management and transparency are core pillars in our sustainability strategy, and are strengthened each year as we subscribe to commitments with national and international organizations. These pillars guide our relationships with customers, investors, suppliers, employees and partner organizations. We are also members of organizations that work to develop the regions where we operate, and we collaborate with other industries that are strategic to our business.

GPA participates in the following initiatives:



### 10 company commitments to LGBTI+ rights

Strengthening our respect and equal treatment regardless of sexual orientation, sexual identity or gender, in 2017 we signed on to the commitments prepared by the Forum of LGBTI+ Businesses and Rights.



**São Paulo Environmental Agreement** – This encourages companies, associations and municipal governments to undertake voluntary greenhouse gas emission reduction commitments to keep global warming within 1.5°C, as part of the international effort agreed in the Paris Agreement in 2015, as ratified at COP 26, in Glasgow, in 2021.



**Unstereotype Alliance (UN Women)** – Since 2017, we have been part of the movement aimed at eliminating gender stereotypes. The companies that make up the network exchange information and experiences, in addition to having access to research and curatorship that help build campaigns with more gender equality that can represent women in their plurality.



**Boi Na Linha (Ox on the line) – Imaflora** – We are co-developers and users of the project, which is a joint effort to strengthen and encourage the adoption of social commitments and environmental factors in the beef value chain in the Amazon. Currently, there are two commitments in the beef chain: the Terms of Adjustment of Conduct (TAC), of the Public Prosecutions Department; and the Public Meat Commitment, which establishes the minimum criteria for operations with cattle and industrial scale bovine products in the Amazonian biome. Among the requirements are the absence of cattle raising in areas of illegal deforestation, indigenous lands, conservation units and/or areas subject to environmental embargoes by the Brazilian Institute of the Environment and Renewable Natural Resources (IBAMA) and the requirement for updating annual data according to the Rural Environmental Register (CAR). The platform works like a

central point that provides access to systems, tools, data and technical information for which producers, industries of all sizes, tanneries, supermarket chains and investors can find the materials and information they need to fulfill their commitments to a deforestation-free beef chain.



### Brazil Coalition Climate, Forests and Agriculture -

This is a multi-sector movement founded to address climate change issues from the perspective of a new economy, based on low greenhouse gas (GHG) emissions through concrete proposals to end deforestation and illegal logging, the recovery of degraded areas, land management, social protection of communities, as well as the encouragement of competitive and sustainable production of food, forest products and bioenergy.



**Business Coalition for Racial and Gender Equality-** In 2017, we joined the initiative of the Brazilian Center for Research on Labor Relations and Inequality (CEERT), of the Ethos Institute and the Institute for Human Rights and Business (IHRB). The goal is unity, sharing stories and encouraging the implementation of business policies and practices in the field of diversity, with a focus on racial and gender equality.





### Business Coalition for the End of Violence Against Women and Girls

-In 2019, we joined the initiative, coordinated by the Avon Institute and UN Women with the technical support of Dom Cabral Foundation, with the objective of engaging leaders from the private sector and ensuring voluntary commitment to ending violence against girls and women.



**Beef Working Group of Forest Positive Coalition in the Consumer Goods Forum (CGF)** - Casino Group is the joint leader of the Beef Working Group, which is assisted by the Proforest institution and was founded to determine a framework of common ground between CGF members to be applied to its suppliers of Brazilian beef in order to assure they are buying deforestation-free beef.



### Working Group on Sustainable Livestock (GTPS) -

Created in 2007, the entity brings together representatives from six links of the beef production chain aiming to discuss challenges and solutions related to the sustainable development of beef production. We participate in multiple working groups to discuss the challenges and solutions involving all links of this chain, such as monitoring indirect producers, a priority topic for GPA.



**Working Group of Indirect Suppliers (GTFI)** - We are part of this main forum for discussing the monitoring of indirect suppliers in the beef supply chain in Brazil.



**Business Initiative for Racial Equality** -Since 2019, we have joined the platform bringing together companies committed to seeking even better performance in addressing ethnic and racial equality. The initiative aims to ensure competitive advantages, constituting a space for dialog of the Brazilian business community around its commitments to the inclusion, promotion and enhancement of ethnic and racial diversity.



### Initiative for Compliance and Sustainability (ICS) -

This is an international sectoral initiative with the aim of enhancing working conditions along global supply chains of its member retailers and brands in the sectors of textile, footwear, electronics and furniture. ICS members collaborate with common tools, and share assessment findings and best practices.



**AR Movement - Black Lives Matter** - Voluntary mobilization that proposes changes and social transformations through effective actions to combat racism, racial prejudice and discrimination against black people.



**MOVER - Movement for Racial Equality** - We are founding signatories of the Movement for Racial Equality (MOVER), launched in 2020. It is comprised of 45 Brazilian companies and multinationals and focuses on fostering leadership, employability and raising awareness of racial equality. The initiative is yet another tool in the fight against racism in Brazil and through practical initiatives we are committed to generating new positions for black people in leadership positions and empowering people for their inclusion in the jobs market.



**360 Women's Movement** - We have been part of the 360 Women's Movement since 2016, created in order to contribute to the economic empowerment of Brazilian women in a 360-degree vision, through the promotion, systematization and dissemination of advances in business policies and practices and the engagement of Brazilian companies, the community and society in general.





**Global Compact** - We have made a formal commitment for our operations in Brazil and Colombia to the principles related to human rights, labor practices, environmental responsibility and anti-corruption defended by the UN Global Compact. This is currently the largest voluntary corporate sustainability initiative in the world, with more than 16,000 members spanning 160 countries, including companies and organizations.



**National Pact for the Eradication of Slave Labor** - Along with many other companies, in 2005, we made a formal commitment not to source from companies using slave labor. These commitments are monitored by InPACTO (National Institute for the Eradication of Slave Labor).



**Compact for the Inclusion of People with Disabilities (Corporate Network of Social Inclusion)** - In 2016, we signed up to the five commitments for the promotion of rights of people with disabilities, in order to strengthen the commitment of our senior leadership around the topic and promote an inclusive corporate culture and workplace.



PARTNERSHIP FOR  
GLOBAL LGBTI EQUALITY

**The Partnership for Global LGBTI Equality** - The Partnership for Global LGBTI Equality is a coalition of organizations committed to leveraging individual and collective advocacy to accelerate LGBTI equality and inclusion globally and drive positive change.



**Women's Empowerment Principles (WEPS)** - Since 2017 we are signatories of the principles established by the UN, continuously developing policies and initiatives aimed at gender equality and women's empowerment.

At Éxito, we support the following organizations and commitments:



**Consumer Goods Forum** - An organization that brings the CEOs of consumer goods retailers and manufacturers together globally to inform consumers about healthy and balanced lifestyles and good household and personal care habits.



**National Carbon Neutrality Program** - We are one of the 100 companies that signed up to the Program, an alliance spearheaded by Colombia's Ministry of the Environment to drive down greenhouse gas emissions by 51% in the country by 2030 and to achieve a Carbon Neutral Colombia by 2050.



**No Deforestation in Colombia's Beef Chain** - We joined the agreement which aims to marshal forces to help achieve the target of no natural forest deforestation in the country by 2030.



**New York Declaration on Forests** - A set of voluntary commitments under which countries, states, organizations and companies commit to undertake efforts to end deforestation and restore 350 million hectares of degraded forestlands by 2030.



**TFA 2030** - The Trade Facilitation Agreement is a multilateral initiative that aims to facilitate and streamline trade by cutting the red tape that exists in moving goods across borders.



## Associations & Institutes | GRI 102-13|



**Brazilian Supermarket Association (Abrás)** – We have been members of the entity since its foundation, in 1968. Abrás represents, integrates and drives the development of the supermarket sector in the country, maintaining an open dialog in negotiations with municipal, state and federal governments. We are members of 23 state associations linked to Abrás, such as the Rio de Janeiro State Supermarket Association (Asserj), the Minas Gerais State Supermarket Association (Amis) and the Brasília Supermarket Association (Asbra).



**São Paulo State Supermarket Association (Apas)** – We have been part of the Association since 1971, committed to its purpose of bringing together supermarket entrepreneurs in the State of São Paulo to integrate the entire supply chain, professionalize the sector, ensure operational excellence and point out retail trends.



**Brazilian Retail Textile Association (ABVTEX)** - We have been a member of ABVTEX since 2007, which defends the interests of the textile and clothing industry.



**Federation of Commerce of Goods, Services and Tourism of São Paulo State (FeComercio)** -We have been a member of the entity since its inception. The entity represents the interests of companies in the sector and develops initiatives aimed at promoting the country's economic growth.



**National Electrical and Electronic Equipment Waste Management (Green Eletron)** – We have been a member since 2018 of the entity that represents the companies that own the main brands of batteries and electronics in the country, coordinating the implementation and operationalization of a system that allows for the environmentally friendly disposal of end-of-life equipment.



**Akatu Institute** – We have had a strategic partnership since 2003. The organization works to raise awareness and mobilize society towards conscientious consumption.



**Ethos Institute** – We have been a part of Ethos since 1999 in its mission to mobilize, raise awareness and contribute to companies in managing their businesses in a socially responsible manner.



**Institute for Retail Development (IDV)** –Since 2006, we have been a member of IDV, founded to strengthen the representation of retail companies from different sectors of the national activity.



Employee and customer  
in a Mercado Extra store



## OUR BUSINESS MODEL

Our business model is multiformat and multichannel, and strives to be the best choice for customers. We use a range of capital as inputs, create value by transforming this capital into products and services and share the results we generate in the short, mid and long terms with our stakeholders.

### CAPITALS<sup>1</sup>



#### Social and Relationship

- ⊙ GPA Institute
- ⊙ Partnerships with NGOs/start-ups and scale-ups
- ⊙ Communication and relationship channels
- ⊙ Relationship with small, medium and major suppliers
- ⊙ Partnerships in e-commerce



#### Financial

- ⊙ R\$ 26.9 billion in net revenue
- ⊙ R\$ 1.8 billion cash generation
- ⊙ R\$ 3.5 billion raised in the market



#### Human

- ⊙ 50,968 employees
- ⊙ Fostering diversity and inclusion



#### Intellectual

- ⊙ Open-source collaborative digital platforms
- ⊙ Developing digital and multiservice platforms
- ⊙ Knowledge and experience of employees
- ⊙ GPA Labs



#### Natural

- ⊙ 1,180,965 m<sup>3</sup> of water, the equivalent of 2 m<sup>3</sup>/m<sup>2</sup> of retail space
- ⊙ 725,172 MWh of energy, or 771.9 kWh/m<sup>2</sup> of retail space



#### Manufacturing

- ⊙ 809 points of sale
- ⊙ 15 Distribution Centers
- ⊙ Proprietary and third-party fleet

<sup>1</sup>Data referring to GPA's operation in Brazil in 2021.



### VALUE CREATED<sup>1</sup>



#### Social and Relationship

- ⊙ R\$ 6.6 billion of added value
- ⊙ More than 3.5 million people benefited directly and indirectly from GPA Institute's projects
- ⊙ Partnerships with 962 social organizations
- ⊙ More than 9 million customers a month in our physical stores and e-commerce channels
- ⊙ 21 million customers enrolled in loyalty programs
- ⊙ Best practices for suppliers
- ⊙ Conscientious supply and consumption
- ⊙ Practicality, exclusivity and shopping experience



#### Financial

- ⊙ R\$ 802 million distributed to shareholders as capital payments
- ⊙ Return to shareholders/share performance
- ⊙ Resource savings
- ⊙ Market share gain



#### Human

- ⊙ 601,161 hours of training and development, and average of 11.1 hours per employee
- ⊙ Diversity and inclusion:
  - 37% of women in leadership positions (managers and above)
  - 52% black people
  - 1,925 people with disabilities
- ⊙ Occupational health, safety and quality of life
- ⊙ Career development
- ⊙ Support for employees and partners in fighting Covid-19



#### Intellectual

- ⊙ Strategic diversification and innovation (new businesses, products, brands and partnerships)
- ⊙ Sharing responsible practices with suppliers
- ⊙ Knowledge about consumers and the market
- ⊙ Technology, apps and sales platforms
- ⊙ Marketplace



#### Natural

- ⊙ Supplying healthier and more sustainable products
- ⊙ Reducing the use of natural resources
- ⊙ Commitment to the best production practices (environment, people and animal welfare)
- ⊙ Commitment to reducing carbon emissions
- ⊙ More efficient means of transportation to reduce mileage and emissions



#### Manufacturing

- ⊙ 14 new stores opened
- ⊙ Efficient and interconnected distribution centers
- ⊙ Fleet efficiency
- ⊙ 9,167 Private Label products





# 04.

## COMMITMENT TO ETHICS AND TRANSPARENCY

Ethics & Integrity

Risk management

Privacy and information security





# ETHICS & INTEGRITY

**[GRI 103-1, 103-2, 103-3\_205\_206]**

Ethics and integrity are fundamental pillars that guide our daily routines and underpin a fair and transparent business practice.

**To sustain a culture of integrity and ethics we draw on 14 pillars:**

1. Senior Management Commitment
2. Structuring a compliance practice
3. Risk identification
4. Code of Ethics
5. Corporate policies
6. Communication and training for all employees and critical suppliers
7. Background checks on suppliers and third parties
8. Whistleblowing and Compliance Line
9. Audits and controls
10. Continuous monitoring of ethics and compliance initiatives
11. Application of disciplinary measures
12. Continuous monitoring of ethics and compliance program initiatives
13. Reporting to committees
14. Continuous improvement

Senior management has committees responsible for the oversight and strategic direction of our Ethics and Compliance Program. One such entity is the Ethics Committee, which is tasked with monitoring the leading issues related to the Program's pillars, and resolving any breaches of corporate and regulatory conduct rules. The Audit Committee is tasked with assessing and monitoring compliance with the Programs through the mechanisms established in the Brazilian Anticorruption Law (Law 12.846 / 2013) and its regulations.

In Colombia, our Transparency Program is addressed in annual campaigns covering specific aspects of Grupo Éxito's ethics program. Newly hired employees also attend e-learning training on this topic. Throughout 2021, we continued to strengthen our policies and procedures on transparency, and implemented initiatives to ensure they are understood and effective.

All the Company's initiatives are founded upon four steps: Prevent, Detect, Respond and Update and Enhance.

**PREVENT** [GRI 102-16, 205-1]

We have developed a positive agenda of communication and engagement initiatives and ongoing training so that our employees and partners can have complete knowledge of business conduct.

The 2021 training agenda included an event focusing on day-to-day ethics in business, corporate communications and training to prevent and combat corruption. This training targets critical areas - such as commercial, financial, indirect purchases, and others - and it was participated by senior leadership and more than 1.5 thousand employees who were simultaneously connected, with specific training also provided on Ethics and Compliance to future store leaders.

We marked the Global Ethics Day with another internal event, attended by a member of GPA's Audit Committee, who shared information and reflections on good practices, combating corruption and the importance of ethics in day-to-day interactions. These and other initiatives showcase senior management's engagement in the matter.

Service providers were also given training on diversity, our Code of Ethics, compliance and combating corruption.



Our main rules, policies and regulations that guide the decisions and activities of our employees and business partners are widely publicized in our channels:

**Code of Ethics:** essential guidelines of the minimum conduct expected by GPA related to the ethical and integral conduct of our business and compliance with corporate policies.

**Anti-Corruption Policy:** general guidelines on anti-corruption practices, contributing to compliance with the legislation to combat national corruption (Brazilian Anticorruption Law - Law 12.846 / 2013) and international laws, such as the North American (United States Foreign Corrupt Practices Act - FCPA) and the French law (Sapin II Law). In Colombia the policy is also adapted to the national legislation.

We also have a Related-Party Transactions Policy, a Disciplinary Measures and Consequences Policy, and a Corporate Conflict-of-interests Standard and internal processes that reinforce control barriers for risks related to corruption and fraud, amongst others. They provide guidelines about conflicts of interest that could occur in daily activities, in order to prevent the interests of our employees and suppliers from prevailing over GPA's interests. Click [here](#) to view these policies. Grupo Éxito's policies are grouped in this [link](#). Important initiatives took place in 2021, such as reviewing the Conflict of Interests standard and updating and automating the Conflict-of-Interest Declaration, making it more objective and efficient and easier to understand.

We carry out risk analyses and due diligence on our suppliers in accordance with the guidelines set out in our corporate policy. This process consists of the formal analysis of documentation and reputational matters, in order to detect risks of fraud, corruption and other risks, including the verification of local and foreign black lists, including socio-environmental lists, such as the Slave Labor Blacklist and Embargoes of Ibama. This process is carried out for all of our new suppliers, and we also reanalyze existing GPA suppliers in accordance with their defined risk rating. In 2021, we implemented a tool that enables the ongoing monitoring of specific suppliers. In the event of a red flag, Compliance carries out further analyses and resolves the matter in accordance with our Background Analysis Policy.

All contracts with our suppliers contain clauses from GPA's Anti-corruption Policy and Brazilian and Colombian anti-corruption legislation (in the case of Grupo Éxito), as well as US and French legislation.

In 2021 we also updated the Supplier Charter of Ethics, an important tool to bolster our commitment to these ideals. Further information about this can be seen in the chapter Value Chains.

At Grupo Éxito, we direct our awareness raising initiatives and communications to 191 suppliers of goods, services and products in respect of the Business Ethics Program policies, the foundation for building transparent, sustainable and high-value relationships.



Employee of the  
Compre Bem Bakery





## DETECT | GRI 102-17|

To detect violations of our policies and values, our publicly available whistleblowing channel (telephone number, site and email address) is the channel for reporting any violations or non-compliance with current legislation, our Code of Ethics, as well as with policies and procedures that may involve our stakeholders.

Grupo Éxito's Direct Transparency Line is managed by an independent outsourced company that ensures any information provided by whistleblowers is kept confidential and their identity anonymous, should they so desire. Reports can be submitted by telephone or email and our Transparency Program stipulates that in no circumstances shall whistleblowers be subject to retaliation or discrimination.



Store manager  
and customer at  
Compre Bem

## RESPOND

We are committed to answering reports and applying disciplinary measures or other corrective actions provided in our Code of Ethics, rules and regulations. All reports can be submitted anonymously and are handled in confidence.

The guidelines state that material complaints or reports are addressed by the Ethics Committee and, if necessary, evaluated by the Audit Committee or Board of Directors.

One of GPA's most meaningful achievements in 2021 was investigating and applying disciplinary measures, when founded and applicable, in the 3,918 ethics complaints received by its whistleblowing channel in Brazil. Most of them (44% of the total) entailed possible operational infractions, such as theft and inappropriate behavior, and around 3% possible violations of our Code of Ethics, privacy issues, bribery and discrimination. All cases were forwarded for investigation and 95% had been processed and finalized by December 31, 2021.

Over the year we received and investigated 748 complaints in Colombia about alleged breaches of our Transparency Program and other supporting policies and procedures (*for more information about these documents click [here](#)*). Approximately 95% of potential violations of our Transparency Program and Code of Ethics & Conduct were related to the non-compliance with policies and procedures, mistreatment of employees, theft, conflicts-of-interest and bribery. In total 67% of cases have been resolved. No complaints received entailed acts of bribery or corruption involving government employees.



### GPA Whistleblowing channel

<https://www.gpabr.com/en/contact-us/>

08000 55 57 11

[ouvidoria@gpabr.com](mailto:ouvidoria@gpabr.com)

Monday to Saturday,  
between 8 am and 8 pm



### Grupo Éxito

<https://lineatransparencia.com/exito/reportesembedded?form#/>

01-8000-52-25-26

[etica@grupo-exito.com](mailto:etica@grupo-exito.com)

24/7





Family shopping  
in Mercado Extra

## UPDATE AND IMPROVE

We audited the Ethics and Compliance Program to identify improvements; we revised, updated and perfected standards, procedures and controls and, whenever necessary, reported this information to the Company's senior management.

Corporate policies are revised and updated annually in a formal process involving the Compliance, Legal, Risk and Internal control departments. In this process, the areas involved are summoned in order to make everyday business as compliant as possible.

Material changes to the Code of Ethics or Anti-corruption Policy, amongst others, are shared with and submitted to the approval of the Ethics Committee and Board of Directors.

In Colombia, Grupo Éxito has improved its assessment of fraud, bribery and corruption risks in accordance with applicable local regulations and standards of the French Sapin II act and the requirements of France's Anti-corruption Agency. This procedure made it possible to identify the various processes comprising the Company's value chain and its exposure to these risks, and also propose suitable measures to mitigate them.

In 2021 the Transparency Program management displayed its importance as a facilitator and promoter of organizational principles and values, becoming an integral part of the strategic pillar "We act with integrity". The Program therefore strengthened its core policies, expanded training and communication processes and faced the daunting challenge of a rigorous independent audit which it passed with flying colors.

## SAFETY AND RESPECT IN STORES

Between October and December in Brazil more than 1.5 thousand employees were given in-person training on Safety, respect and in-store services, including information about customer and employee complaints, whistleblowing, Diversity, Property Security and Criminal/Legal teams advised employees from various departments, regional managers, store managers, section heads, leaders, operators and inspectors from Pão de Açúcar and Mercado Extra establishments in the regions of Rio de Janeiro, São Paulo and states in northeast Brazil. The aim for 2022 is to maintain a positive agenda of in-person training and to develop an online version to ensure the latest training reaches all team members.



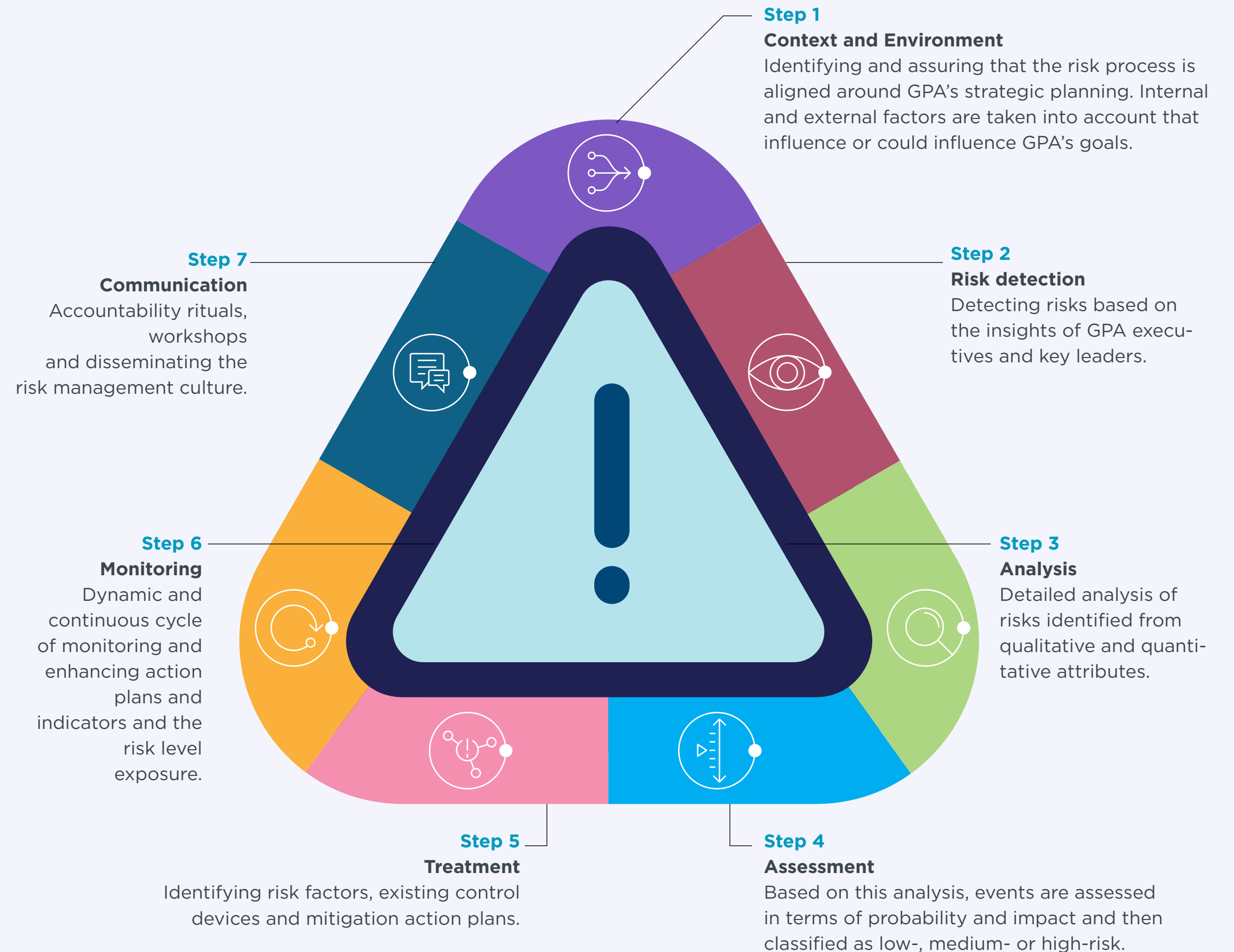
# RISK MANAGEMENT

GPA's risk management process follows Casino Group protocols in full and in line with international methodologies and standards. It aims to manage material risks impacting our strategic goals, to create and protect GPA's value, continuously improving internal control mechanisms and impact mitigation and prevention initiatives.

Our Corporate Risk Policy establishes roles and responsibilities, specific guidelines and details of the Company's Risk Management process. The risk process life-cycle is formed of subsequent, interdependent steps, as illustrated in the figure.

The matrix includes high-, medium- and low-criticality risks, from which ten principles were elected that comprise the *Casino Group Risk Solution* (CRS) matrix and the Top 10 Main Business Risks. There is also a matrix of the Top 5 Main CSR Risks (Corporate Social Responsibility) embraced by this management process. These risks are continuously monitored by key executives and process owners, and periodical reports are sent to the Audit Committee and Board of Directors.

Health and safety issues related to the Covid-19 pandemic continue to be addressed in 2021, as well as the progress of the vaccination roll-out amongst employees.





## SOCIO-ENVIRONMENTAL RISKS

Aligned with Casino Group's Corporate Social Responsibility (CSR), since 2018 we have been using a specific risk matrix for sustainability topics.

It currently comprises five priority risks. For each of them, we identify the main associated issues, the mitigation strategy and the executive responsible for it.

We continued to advance on the topic by interviewing key executives, identifying and assessing socio-environmental risks, preparing action plans, monitoring the level of implementation of actions, communicating with eligible forums, among other initiatives, in order to reinforce the role of sustainability at all levels of the Company.

In 2021, the topic of refrigerant emissions was included in the list of priority risks in our sustainability matrix, corroborating the Group's global commitment to reducing GHG emissions.

### Priority socio-environmental risks

- ⦿ Combating discrimination and fostering diversity
- ⦿ Environmental impacts in our supply chain
- ⦿ Food safety
- ⦿ Refrigerant emissions (carbon emissions)
- ⦿ Animal welfare

# PRIVACY AND INFORMATION SECURITY

## |GRI 103-1, 103-2, 103-3\_418|

We have exclusive normative documents setting out Information Security guidelines and laying down data protection rules in procedural, behavioral and technical processes. We also assure strict compliance with information systems' security regulations.

These internal policies are: Cyber and Information Security, Using Technological Resources, Secure Development and Acquisition of Systems, Information Security Incident Management, Database Security, Classifying Information and Logical Access Management, which are informed by ISO IEC 27002. For cyber security processes, we comply with the Cyber Security Framework issued by NIST (National Institute of Standards and Technology), wherever possible.

We have an annual calendar for raising awareness of employees and every month publish newsletters addressing various and seasonal topics that aim to get people thinking about IT asset security.

Moreover, we have a mandatory information security content in the GPA Retail University's platform, intended for all employees accessing the Company's information and IT systems. Training compliance is monitored by internal KPIs. New employees are required to sign a responsibility agreement in respect of this matter.

We pay special attention to personal data protection, as required by the Brazilian General Data Protection Regulation (BR GDPR).

## Targeted initiatives

Our initiatives involve and target:

- ⦿ Creating and maintaining a record of processing activities carried out by the data controller and data processor;
- ⦿ Having a training program and annual awareness raising campaigns;
- ⦿ Promoting personal data management procedures and policies applicable to customers, employees and suppliers;
- ⦿ Carrying out Data Protection Impact Assessments (Dipa);
- ⦿ Implementing organizational security measures and techniques to guarantee an acceptable risk security level;
- ⦿ Guaranteeing the technical and legal security of personal data transfers;
- ⦿ Interacting with the competent authorities in data protection matters in the case rights are claimed by data subjects or it is necessary to report data breaches;
- ⦿ Setting up internal controls and conformity audits for existing data processing systems.



In 2021, we shored up the Group's data protection systems and customer information systems. We acquired new tools managing infrastructure and accesses to Information Systems and Information Technology, bolstering our capacity to detect and thwart unauthorized attempts to access our internal network systems.

Our Information Security department uses MSS SOC to monitor cyber security, which complements our other IT monitoring tools. These actions are ostensible and containment, analysis and forensic measures are triggered in the event anomalies (suspicious events) or threats are identified.

There is also a series of other mechanisms that come into play in the event of cybernetic threats, such as Threat Intelligence, Data Loss Prevention (DLP) and specific recovery processes, such as internal Backup and Restore policies installed in GPA's core systems.

## Restrictions

We carry out specific monitoring to detect the extraction of unstructured data, enhancing our ability to detect situations that could lead to data breaches through multiple vectors. Our monitoring architecture was upgraded to include labels to classify unstructured data and data to be shared by email and other Company tools, including additional safeguarding with DLP policies. These labels can be used to restrict personal data thereby further expanding protection.

Access to data in systemic layers is controlled by authentication and authorization steps, and the authorization layer is based on access profiles controlled by key personnel known as owners. Access is only awarded after they have determined whether the information in the sources can actually be made available.

The Group classifies risks posed by cybersecurity incidents as important, and monitors them using a governance system designed to address the main challenges:

- Creating and maintaining a record of processing activities carried out by the data controller and data processor;
- The Information Systems Security Department manages security issues, optimizes synergies in solutions and services and guarantees consistent management and centralized reporting.
- Senior management monitors the security of our information systems. Action and performance plans are reported to the Executive Board and Audit Committee;
- A Data Committee is tasked with monitoring all personal data matters, reporting to the Group's DPO (*Data Protection Officer*).
- Exchanging best practices, methodologies and global market references with Casino.

Moving forward, we will maintain and improve specific controls, such as the annual information security awareness program, technology threats management, information protection policies and procedures for responding to cybersecurity incidents.



Employee working at the  
Company's head office





# 05.

## RESPONSIBLE SUPPLY CHAINS FOR CONSCIENTIOUS MANUFACTURING AND CONSUMPTION

Critical chain risk  
management

Guiding principles

Quality assurance and  
value chain relations





[GRI 103-1, 103-2, 103-3\_408\_409, 102-9]

Our value chain is rich and complex, formed by thousands of suppliers, including producers, industries, distribution companies and service providers. We want in-depth knowledge of all links, enhancing traceability and the monitoring process, thereby detecting and mitigating any socio-environmental risks in the raw material extraction and production stages, whilst also contributing to maximize positive impacts. Our efforts are to choose products that contribute to more conscientious manufacturing and consumption.

Our relationship with suppliers is underpinned on guidelines in the following areas: supporting human rights,

occupational health and safety, food safety, anti-corruption practices, protecting biodiversity and environment and animal welfare, as set out in our documents Supplier Charter of Ethics, Code of Ethics, Diversity, Inclusion and Human Rights Policy, Environmental Management Policy, Animal Welfare Policy, Value Chain Human Rights Policy, Responsible Beef Sourcing Policy and Responsible Palm Oil Product Sourcing Policy. GPA's documents can be seen [here](#) and Grupo Éxito's [here](#). [GRI 308-2, 414-2]

Our dealings with suppliers are informed by the Charter of Ethics for Suppliers, which we maintain in both Brazil and Colombia and which is an integral part of the contracts we

sign with them, and in programs and commitments that set out policies, processes, performance indicators and training. These documents can be seen [here](#) (Brazil) and [here](#) (Colombia). The charter explicitly prohibits the use of child, forced and slave labor. [GRI 408-1, 409-1]

Private Labels

The stringent requirements for all our chains move up a level for our Private Label products, seeking not only to detect and mitigate socio-environmental risks but also acknowledging and establishing commercial relations with the suppliers with the best practices in these areas.



Private Label  
Products



# CRITICAL CHAIN RISK MANAGEMENT

[GRI 103-1, 103-2, 103-3\_308\_414]

In 2021, we updated our critical chain study, which aims to produce a socio-environmental risk matrix for our value chain, associating raw materials and risks (such as working conditions, animal welfare, deforestation and biodiversity). We mapped the 28 most critical chains for socio-environmental risks in the cultivation, production or manufacturing of the products we place on our shelves. We then prioritized 14 additional chains on top of the chains in the initial study conducted in 2018. We also included biodiversity issues, addressing impacts on land use, sustainable extraction and endangered species. 13 chains/product categories were ultimately prioritized.

To achieve this result, we analyzed internal and external data (public sources and documents) in our primary chains that enabled us to cross-reference social and environmental risk levels with the importance of these products/categories in relation to the volume and source of associated products, categorizing them as low, medium and high risk.

## Priority critical risks



Animal welfare



Tackling deforestation



Sustainable use of biodiversity



Workplace conditions

## Priority chains



Sugar



Bananas



Cacao



Coffee



Beef



Pork



Broiler chickens



Milk



Corn



Eggs



Palm



Fish



Soybeans



Textiles



**The matrix is translated into individual guidance, strategies and action plans for each value chain identified and prioritized.**

Initiatives and guidelines are defined and the extent of the analysis into the situation and opportunities of each, always in conjunction with our internal teams, experts and suppliers. Initiatives are leveraged to produce more robust development, ratification, traceability and monitoring processes. All these actions and initiatives are implemented by establishing targets and key performance indicators (KPIs), which are tracked by internal groups, experts and GPA's Sustainability Committee.



# GUIDING PRINCIPLES

After identifying and mapping risks and opportunities in our chains, we will address the main initiatives carried out in the year, grouped into the following topics: animal welfare, preventing deforestation, biodiversity conservation, workplace conditions, supporting small suppliers and supplier quality and development programs.

## Animal welfare

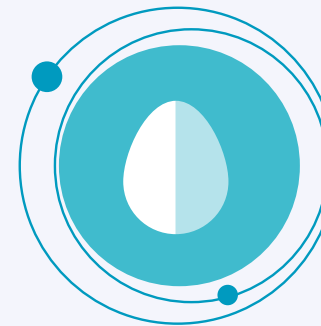
With an eye on changes in and the wishes of society, we continuously enhance our animal welfare practices. This has been a priority topic for us since 2017, when we disclosed our first-ever commitments. Since then, we have remained focused on further understanding the animal protein chains, their challenges, players, trends and production processes that are conducive with animal welfare.

Our approach is structured around four pillars:

- 🕒 Sourcing and traceability - Structuring processes that guarantee a supply of products to all the Group's stores.
- 🕒 Engaging the supply chain - Strengthening relations with suppliers in order to encourage sustainable and viable production.
- 🕒 Communication for conscientious consumption - Raising consumer awareness so they can understand the topic and encourage them to choose these products.
- 🕒 Advocacy and legislation - Lobbying to strengthen legislation and regulations related to production processes.

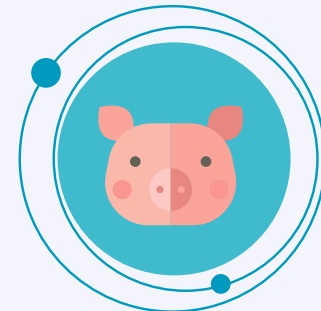
This broad strategy enabled us to expand our commitments in 2020, covering all eggs sold in our stores and the broiler chicken, beef and swine chains too.

## PUBLIC COMMITMENTS



**100%** of our Private Label eggs will be produced by cage-free chickens by 2025.

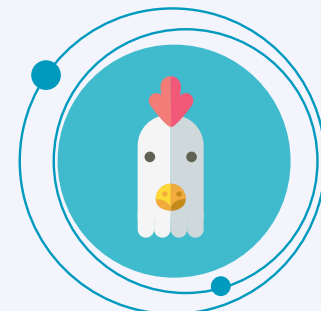
**100%** of our eggs (national brands) will be produced by cage-free chickens by 2028.



**100% of pork** sold in our stores will come from suppliers that instill animal welfare into the production chain by 2028.



**100%** of Pão de Açúcar beef suppliers must be publicly committed to our Animal Welfare Policy by 2025.



**100% of broiler chicken products** under the Private Labels Qualitá and Taeq shall comply with our Animal Welfare Policy guidelines by 2028.



These commitments were translated into our Animal Welfare Policy in 2021, the result of a complex endeavor involving multiple chain agents: GPA's internal teams, producers, processors, sector associations, NGOs and universities.

The document sets out the general and specific guidelines regarding the matter in our animal protein supply chains - beef, pork, broiler chickens and eggs - in the requisites for supplying these products to our stores; it presents integrity, conformity, quality and sustainability standards required of these suppliers; addresses principles underpinning the process of purchasing these products and strives to ensure compliance with the existing standards and legislation, based on the five animal freedoms. **[GRI 102-11]**



Cage-free chickens

## ANIMAL FREEDOMS

1. Freedom from Hunger and Thirst: by ready access to fresh water and a diet to maintain full health and vigor
2. Freedom from Discomfort: by providing an appropriate environment including shelter and a comfortable resting area
3. Freedom from Pain, Injury or Disease: by prevention or rapid diagnosis and treatment
4. Freedom to Express Normal Behavior: by providing sufficient space, proper facilities and company of the animal's own kind
5. Freedom from Fear and Distress: by ensuring conditions and treatment which avoid mental stress.

These five freedoms also comprise Grupo Éxito's Sustainable Livestock Declaration for primary production suppliers, complying with the Good Livestock Practices of *Instituto Agropecuario Colombiano* (ICA) for live cattle and GPA's Animal Welfare Policy, defined by the FAWC - Farm Animal Welfare Council. The land used by Grupo Éxito's beef suppliers is monitored for zero deforestation and encroachment into other areas by an independent third-party unrelated to the business, whose monitoring includes the criteria specified as the minimum expected in this Policy.



*As a leader in its sector, GPA is aware of its responsibility for instilling sustainable initiatives in its supply chain. We have prioritized not only environmental, social and economic issues, but also the treatment of the animals, including at the request of customers and society. AliAnima and GPA discuss best practices and supplier awareness, and the former acknowledges the progress made as result of updating its Animal Welfare Policy. We are pleased to be a part of this story."*

**Patricia Sato**, CEO and technical officer of AliAnima - medical vet, PhD



## Eggs

In the cage-free egg category, we are continually working to encourage our consumers to opt for this type of product (cage-free, free range and organic) which we do through sourcing, promotions and communications.

This mammoth effort helped us surpass the target set for the year, with 40.2% of Private Label units sold coming from

cage-free chickens (2021 target: 36%). In terms of overall brand sales, we closed the year with 30.2% of eggs coming from cage-free chicken, falling shy of our target for the year of 32.2%. If sales by Extra Hiper are disregarded, however, which ceased operating in 2022, this metric rises to 35.3%.



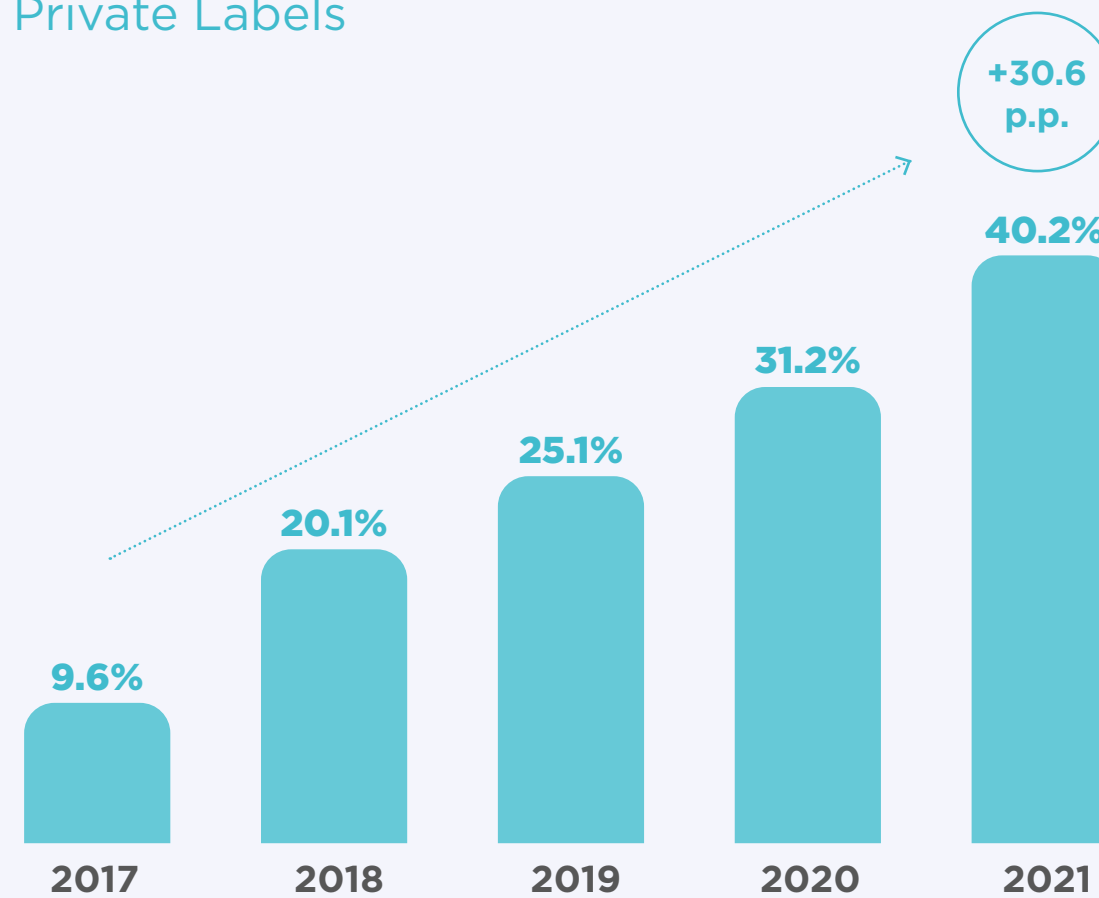
Customer with cage-free chicken eggs

TAEQ OVO DO DIA  
(EGG OF THE DAY)

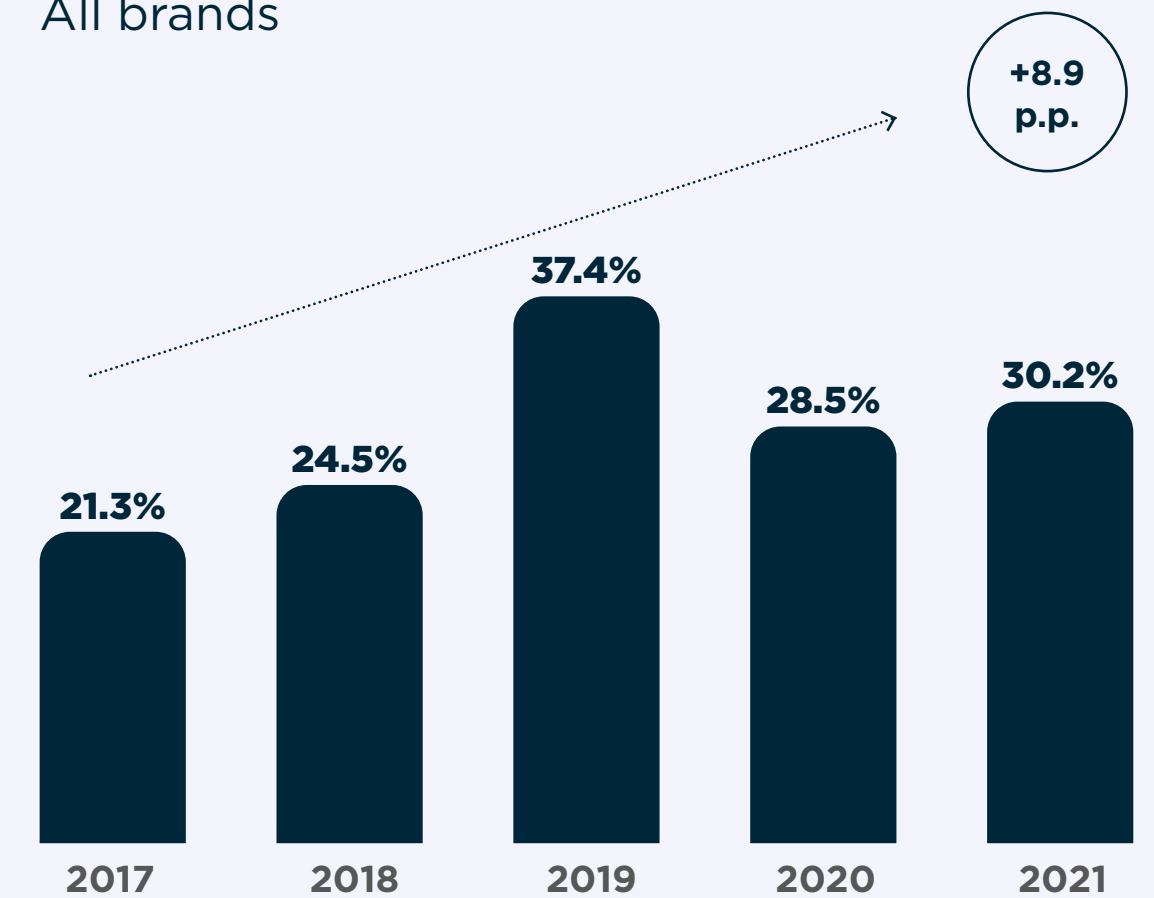
Our Private Labels blazed a trail by clearly informing in packaging the differences between the types of eggs. It continues innovating, allowing customers to handpick the cage-free eggs they want to take home from our Private Label Taeq.

## SALES OF CAGE-FREE CHICKEN EGGS

### Private Labels



### All brands



## Pork

Suppliers that already have public commitments towards animal welfare and/or have already adapted their systems to our requirements account for 76% of our pork product purchases.

However, to inform the actions, adaptations and/or corrections that all pork producers and suppliers need to make to their facilities and production to comply with our Animal Welfare Policy and guarantee performance of our 2028 target, we prepared Animal Welfare and Biosafety Guidelines (BEA). The document that aims to assist suppliers throughout this improvement and diagnosis process was created in partnership with the Brazilian Association of Pig Farmers (ABCS), academia and civil society organizations, and was unveiled at an event in December 2021.



Using plain and simple language based on science and objective evidence, the material provides a 36-item checklist to be followed by producers. They are based on promoting animal welfare, biosafety by focusing on livestock health, the responsible use of antimicrobial medications and environmental management. It also champions respect for good production practices, specific legislation and the requirements of consumers who have increasing levels of information about where their food comes from.

Publishing this material is part of the process of directing suppliers so they can be audited in it from 2022.

## Broiler chickens and beef

For the categories of broiler chickens and beef, the documents setting out adaptation requirements and audits are still being created so they can be applied to suppliers in the coming years.



Employee by a  
Pão de Açúcar  
meat display



## TACKLING DEFORESTATION | GRI 102-11|

Native forests and vegetation provide ecosystem services that play a key role in mitigating impacts from human activities, regulating the climate, and securing water supply (by boosting rainfall to replenish rivers). Deforestation and forest conversion increase greenhouse gas emissions, which in turn contribute to extreme weather events that destabilize ecosystems and threaten the survival of humanity, especially indigenous and traditional peoples and the most vulnerable communities, besides affecting economic activities.

GPA is committed to combating deforestation and the conversion of native vegetation into pastureland within our value chain, and to protecting native biomes and cultural heritage. We also strive to uphold and promote respect for the rights enshrined in the Universal Declaration of Human Rights, and the rights and ways of life of indigenous peoples, local communities and workers.

We have identified the beef and palm oil value chains as a material topic for the sustainable management of our business, given their significance within our product assortment. For more than 10 years, GPA has been engaged in a continuous effort to develop and evolve our policies and processes for screening and monitoring direct suppliers.

As part of GPA's commitment to protect native forests and vegetation, we have worked with suppliers, governments, regulatory agencies and civil-society organizations to develop, perfect and implement best social and environmental practices for these value chains.



Amazônia Biome



## BEEF

The beef value chain comprises a complex array of production stages and players. Our aim is to build a deforestation-free value chain by implementing sound procurement policies and structured processes, and engaging with each link in the value chain.

Beef is a significant product category in our value chain. GPA markets beef products supplied by national meat packers as well as Private Label suppliers. Approximately 79% of the beef we sell to consumers is sourced from national meat packers, and around 21% consists of Private Label beef products. And virtually all of the beef we market is produced nationally.



Cattle ranch

In 2016 we developed a Responsible Beef Sourcing Policy and a dedicated process for supplier screening—covering both Private Label suppliers and national brands—and have since continually monitored our suppliers for compliance with the Policy.

GPA's Responsible Beef Sourcing Policy aims to ensure our beef supply chain is transparent and traceable from ranch to slaughterhouse, and that the beef we source has not been raised in areas that have suffered deforestation or conversion of native vegetation.

Since 2020, all slaughterhouses looking to do business with GPA have been required to comply with the unified protocol *Boi na Linha* (for the Amazon biome) and to demonstrate that they are compliant with applicable regulations.

All slaughterhouses have pledged to ensure their value chain is:

- Free of deforestation or conversion of native vegetation
- Free of forced, compulsory or child labor
- Free of environmental embargoes due to deforestation
- Free of land grabbing in indigenous or quilombola lands
- Free of land grabbing in protected areas
- Registered with the Rural Environmental Register (CAR) and environmentally licensed, as applicable

To view our Responsible Beef Sourcing Policy, click [here](#).



Customer by a  
Pão de Açúcar  
meat display



### Stages in our Responsible Beef Sourcing Policy

**Screening** – This is the first step in the process, in which suppliers are screened against minimum requirements for eligibility to sell products to GPA. After communicating our social and environmental commitments to suppliers, they are asked to provide evidence that they are aligned with those commitments.

This step applies to all beef products that we sell, including national brand and Private Label products. Suppliers in both categories are required to use the *Boi na Linha* Program (Ox on the Line) protocols in their beef sourcing processes to ensure their direct-supplying ranches are compliant with the principles. During the screening process, suppliers confirm that they understand and agree to abide by our Procurement Policy, commitments and social and environmental risk management requirements for this value chain. All Brazilian suppliers, including Private Label, of chilled and frozen, fresh and processed beef are required to:

1. Sign their acceptance of and commit to comply with our Responsible Beef Sourcing Policy (in line with the *Boi na Linha* protocol).
2. Demonstrate that the supplier has in place, or procure, a beef tracking and satellite monitoring system, and commit to conduct social and environmental vetting of the farms from which they intend to purchase cattle.

3. All national-brand and Private Label suppliers are required to comply with applicable laws and regulations, understand our values, and comply with the ethical principles laid down in the GPA Code of Ethics, our Diversity, Inclusion & Human Rights Policy, and our Value Chain Human Rights Policy.
4. Provide information that allows each batch of cattle sold to GPA to be traced to its source farm via our traceability system.
5. Be aware and in agreement that all farms be reassessed by GPA (via the Group's satellite system). In case of suspected irregularity, meat packers are required to either provide evidence that it was a false-positive or block the relevant farm.
6. Sign and be following Conduct Adjustment Agreements (TACs) of Federal Prosecution Service in the states where they apply.
7. Provide quality assurance for animal products via the Federal Inspection Service (SIF).



Meat counter  
employee in  
the store



The goal in this step is to ensure that suppliers are aware of and commit to comply with GPA requirements, social and environmental requirements, the Brazilian Forest Code, applicable regulations, and product quality standards (Federal Inspection Service (SIF) and other standards).

Suppliers found not to be compliant with our Responsible Beef Sourcing Policy and/or that violate any Policy requirements at any time during their commercial relationship with GPA are subject to measures that include debarment from doing business with the Group until they are compliant.

**Monitoring beef purchases by meat packers** – Since 2017, meat packers supplying beef products to GPA—including national-brand and Private Label suppliers—have been required to have a satellite geomonitoring system that allows us to identify social and environmental risks by intersecting farm location data with publicly available information.

All suppliers operating as slaughterhouses are required to use geomonitoring systems, regardless of their geographical location. They are also required to check that all cattle they source is compliant with the requirements outlined in GPA's policy. Suppliers may choose their geomonitoring systems at their own discretion, provided that they use the same criteria as established in GPA's Policy and in the *Boi na Linha* protocol.

Suppliers are responsible for the management, traceability, and social and environmental assessments of cattle farms, and for transmitting this information to GPA.

Currently 100% of our direct beef suppliers have social and environmental geomonitoring systems in place and transmit traceability information to GPA.

**Traceable and transparent beef sourcing** – for every batch of beef we purchase, suppliers are required to upload information about the immediate origin of the cattle (the source farm, batch number and slaughterhouse) to GPA's traceability system. In addition to social and environmental information, we also collect information on food safety and quality (cut accuracy, packaging integrity, labeling and packing date).

100%

of our direct beef  
suppliers have social  
and environmental  
geomonitoring  
systems



Meat counter  
employee at  
Mercado Extra



## Double checking social and environmental data – GPA Geomonitoring

To assess compliance and accuracy in meat packers' monitoring processes, GPA reassesses the source farms for each batch to check that they are compliant with the requirements in our Policy and the *Boi na Linha* protocol. This double-checking process reassesses the same criteria through the lens of a unified protocol used for all meat packers. If any nonconformities are suspected, the relevant farm is suspended and the supplier is asked to submit evidence that the nonconformities are a false positive. This evidence is then reviewed by GPA.

Where the nonconformity is confirmed, the relevant farm is blocked and an action plan is agreed with the meat packer, including educational, corrective and/or disciplinary action.

**Consequence measures** – All slaughterhouses and meat packers are required to be fully compliant with our Responsible Beef Sourcing Policy in order to retain their status as suppliers. Those that refuse to comply with implementation and/or monitoring requirements are subject to action by the Group, including suspension from supplying products to any business unit within the Group until they are compliant. Since 2017, nonconformities have

been found for 22 Brazilian suppliers; of these, 4 have implemented action plans for compliance and 18 remain debarred (status as of 12/31/2021)

Internal forums are held where the different departments involved track performance indicators for each stage in the value chain. These discussions inform action plans for continuous improvement, working jointly with our suppliers. The highest governance body responsible for monitoring our Responsible Beef Sourcing Policy is the Sustainability and Diversity Committee, an advisory body to the Board of Directors.

### SUSTAINABLE BEEF

In 2021 Grupo Éxito published a Declaration on Sustainable Beef, containing guidelines on transitioning to a more sustainable beef business through livestock production activities that reconcile with ecosystem preservation and social development. Grupo Éxito will achieve this through action on the following fronts:

- ⦿ Develop alliances with independent, non-profit civil society organizations to review and endorse our Sustainable Beef guidelines
- ⦿ Monitor Grupo Éxito's beef suppliers
- ⦿ Implement monitoring to continuously improve supplier's livestock production processes

Grupo Éxito's approaches to monitoring have been developed in collaboration with Climate Focus and the International Center for Tropical Agriculture (CIAT), and consist of supplier audits using the Global Forest Watch satellite observation system. We audited more than 46,545 hectares of land farmed by 56 suppliers in the year. Grupo Éxito is also a member of the Colombian Round Table on Sustainable Beef.

Read the complete document [here](#)



## SCREENING

Suppliers shall:

- Follow GPA's Responsible Beef Sourcing Policy.
- Comply with existing legislation.
- Read and respect GPA's Code of Ethics, Diversity, Inclusion & Human Rights Policy and Value Chain Human Rights Policy.
- Procure their own satellite geomonitoring and traceability system.
- Implement any Conduct Adjustment Agreements (TACs) with the Federal Prosecution Service in the states where they apply.
- Provide quality assurance for animal products via the Federal Inspection Service (SIF).

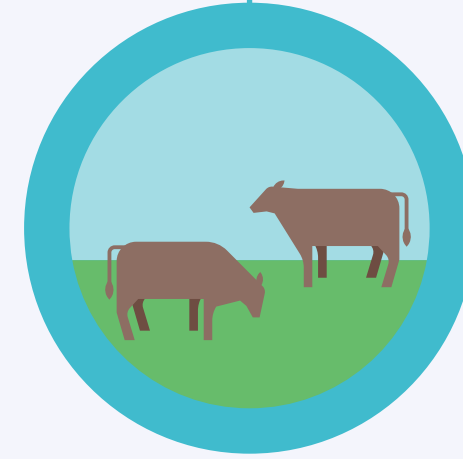
## SUPPLIERS



## MONITORING

Suppliers shall implement a Satellite Geomonitoring System. Criteria considered:

- No deforestation
- Environmental embargoes
- Land grabbing
- Workplace conditions



## DIRECT FARMS

## TRACEABILITY

Suppliers shall:

- Enter information about the direct source of cattle and the quality of the beef sold into GPA's traceability tool.
- Ensure that all farms supplying meat are analyzed in advance.

- Ongoing revision to improve processes
- monitoring and tracking KPIs
- Participate in cross-industry working groups
- Continually train suppliers and internal teams
- Recognize good practices of suppliers

## PROCEDURES

If a suspected nonconformity is found, the farm is suspended, following the steps below:

- Evidence and justifications are requested
- Nonconforming farms are blocked.
- Action plan with slaughterhouses with educational, corrective or punitive measures

## GPA DOUBLECHECKING

GPA carries out double checks on traced farms to certify compliance with the socio-environmental criteria established in the Policy.



## GPA STORES



## COLLABORATION

We actively participate in working groups to develop solutions for the different links in the beef value chain. We base our actions and commitments on a variety of best-practice references on combating deforestation, and we support and collaborate with several initiatives in an extensive network, including:

- ◉ *Boi na Linha* (Ox on the Line) / Imaflora
- ◉ Brazilian Coalition on Climate
- ◉ Working Group on Indirect Suppliers (GTFI)
- ◉ Working Group on Sustainable Livestock (GTPS)
- ◉ Beef working group (Consumer Goods Forum (CGF) Forest Positive Coalition)
- ◉ World Wildlife Fund (WWF) - Deforestation-Free Supply Chain Hub

In 2021 we collaborated on the development of a Guide on Preparing Beef Sourcing Policies for Retail. The aim of the guide is to assist other retailers in monitoring their beef suppliers, using a unified approach market-wide. The guide was developed by Imaflora with support from the Brazilian Federal Prosecution Service and with insights from GPA's own policies and lessons learned.

In 2021 we wrapped up our participation—in partnership with the Collaboration for Forests and Agriculture (CFA)—in the Deforestation-Free Supply Chain Hub, an initiative that aimed to engage our beef suppliers around adopting more sustainable practices. The overarching goal was to foster collaboration in forest protection and building a

deforestation-free beef value chain. The Hub conducted an assessment of four of our partner meat packers and then worked with each of them to develop an action plan toward building a deforestation- and conversion-free supply chain.

### The Consumer Good Forum's Beef working Group of the Forest Positive Coalition

Given the complexity of the beef supply chain and the number of stakeholders involved, the Casino Group and GPA believe that collaborative solutions is necessary for more effective action. Thus, the Casino Group co-chairs the beef working group set up by the Forest Positive Coalition of the Consumer Good Forum, which aims to mobilize all the players buying meat in Brazil and to collectively strengthen and improve the tools and actions for monitoring the Brazilian beef supply chain. Supported by the Proforest institution, the objective of the working group is to define a common framework of common among all members applicable by their beef suppliers in Brazil in order to guarantee meat that is not linked to deforestation risks.

The Casino Group participated and co-hosted more than ten meetings in 2021. As presented in the Forest Positive Coalition's, this working group assessed the best practices of 20 Brazilian meatpacking companies that together operate and source from more than 100 slaughterhouses in the Brazilian Amazon and Cerrado biomes. The aim is to publish guidelines in early 2022 for beef suppliers in Brazil



*GPA has actively participated in the Sustainable Cattle Working Group (GTPS), the Brazilian Roundtable on Sustainable Beef. In 2021 they provided inputs in discussions on traceability, monitoring and other issues related to the beef supply chain. GPA has also become a member of our Steering Board. As a highlight for the period, GPA signed a formal public commitment to advance the sustainability of the Brazilian livestock industry. In 2022 we will build further on this valuable partnership, working together toward an increasingly sustainable livestock industry! ”*

**Sergio Schuler**, CEO of GTPS



to ensure that the farms they work with are not linked to deforestation in Brazil.

Furthermore, the Beef Working group implemented a series of webinars entitled "Learning Journey" to raise awareness among Forest Positive Coalition members and meat suppliers of the main issues and solutions to improve farm monitoring processes and support them in better practices. This learning path was developed in partnership with the Global Environment Facility (GEF) funded Beef Toolkit program.

## GPA RESULTS

- 24 active beef suppliers in 12/31/21
- 100% of direct beef suppliers compliant with GPA's Responsible Beef Sourcing Policy
- 100 % of direct slaughterhouses suppliers with their own geomonitoring system and active traceability
- 9,231 direct farms that were analyzed through the process of reassessing GPA's social and environmental criteria (GPA Geomonitoring system)
- 22 beef suppliers presented nonconformities and were blocked (from 2017 to 12/31/21)
- 4 beef suppliers that had been blocked and have met the action plans and returned to supply to GPA (2017 to 12/31/21)
- 18 beef suppliers that remained debarred (update to 12/31/21)

## COMMITMENTS

- 100% of suppliers compliant with our Responsible Beef Sourcing Policy
- Source 100% of our beef from suppliers with geomonitoring systems in place

100%

of direct beef suppliers  
are in compliance with  
our Responsible Beef  
Sourcing Policy

Tray of meat of the  
Qualitá Private Label





## PRODUCTS CONTAINING PALM OIL

The scope of our mission to make supply chains more sustainable and eliminate deforestation has been expanded to palm oil production. This product is the main vegetable oil used in production and sales on the planet, and is used in the food, personal care and cleaning, cosmetics, pharmaceuticals and lubricants industries, as well as in biofuels and bioenergy. In Brazil the product is predominantly cultivated in Pará state, in the Amazonian biome.

The use of palm oil has been monitored in all of GPA's Private Label products since 2016. To ensure these products meet our sustainable production criteria, thereby mitigating the risk of deforestation and unsuitable working conditions, in 2020 we published our Responsible Palm Oil Product Sourcing Policy. This policy aims to detect and mitigate possible risks deriving from the supply chain of the oil found in Private Label products, thereby expediting the sustainable production of this material, which is an important ingredient in many product categories (food and otherwise), such as chocolate, ice cream, cookies and others.



Private Label Products  
that contain palm oil

## OUR COMMITMENTS

1. Transparency in the supply chain of palm oil used in products.
2. Training and development of suppliers.
3. Monitoring the performance of suppliers regarding compliance with the Policy.
4. Requiring our suppliers to buy palm oil whose production is free of deforestation or conversion of native vegetation, and which respects local communities, indigenous communities and workers' rights.
5. Encouraging Brazilian palm growers to adopt responsible and sustainable production practices.
6. Collaborating with critical players in the palm oil chain to improve practices.

## PUBLIC COMMITMENTS

- ◉ To further train and develop Private Label suppliers in 2022.
- ◉ 100% of palm oil with source identified in Private Label products.
- ◉ 100% of palm oil of international origin certified in Private Label products.

Through Casino Group, our controller, we are seeking joint solutions with organizations that are members of the POTC (Palm Oil Transparency Coalition) to raise the level of responsibility and sustainability in the chain. In 2021 we paid extra attention to this topic internally and with all our Private Label suppliers through training and workshops carried out in partnership with a specialized consultancy firm. We closed the year with 98% of the volume used in our products complying with this policy, and 86% for internationally certified products. For the coming year we will put together an action plan to achieve 100%, in line with our commitment.



*The traceability of the palm oil chain is a topic that has been gaining momentum internally and engagement of Private Label suppliers. We are investing in agendas targeting them; we are intensifying the Policy's requirements; we provide training about the chain, traceability and certification; and are disclosing the data collection, results analysis and action plan procedure. These initiatives were fundamental to mobilizing towards the commitments and targets set out in this Policy."*

**Sophia Montagner,**  
Private Label Quality Manager





## SUSTAINABLE USE OF BIODIVERSITY

The continuous growth in the global demand for fish is exerting alarming and substantial pressure on the planet's main fish stocks, resulting in overfishing of certain species, which can also be attributed to consumption patterns.

As we are aware of this situation and in order to help mitigate this impact, we created the Fish Diversity Project. Initiated in 2018, it aims to supply a wide range of relatively unknown fish species which therefore have low demand compared with their production capacity - such as *saramonete*, *sororoca*, *olhete*, *catuá*, *olho-de-boi*, *olho-decão*, *cavala*, *carapau*, *pargo-rosa* and *xaréu*, Brazilian fish species - thereby seeking to minimize the impact on fish stocks and encourage the consumption of diverse species.

To raise consumer awareness, our store assistants are instructed to provide information on nutritional matters, prices and the taste of less popular species. Our Pão de Açúcar stores also display stickers and communication materials to inform our customers about the importance of diversifying and varying the consumption of different fish species. We consequently recorded sales growth of 31% on the previous year for these lesser-known species. The sales volume rose by 25% on 2020, with red porgy, crevalle jack and horse mackerel selling best.

Our Pão de Açúcar Fresh concept, inaugurated in October 2021, includes this project as part of its strategy.

Aware of our role as an agent for driving change in market and society, in 2022 we are planning to launch the Responsible Fish Sourcing Policy. The document will serve as a guide for suppliers in this chain considered critical in relation to the depletion of environmental resources and diversity, which is not conducive with good business practices. The fish chain is also part of our End-To-End Quality Program (QDO) (*for further information about this program see page 72*).

Since 2018, Éxito has sold seafood from nationally traditional fisheries known as Exclusive Artisanal Fishing Zones, helping to protect endangered species and preserve marine biodiversity. In 2021, 33.3% of the fresh fish we sold was sourced from these areas.



Pão de Açúcar Fishmongers

### PROCESSING COMMITMENT

We have a procedure for taking deliveries of fresh fish, which monitors the quality and compliance with legislation by fish suppliers, assessing criteria such as the close season and minimum size, and monitoring the General Fishing Activity Registry - RGP.

The Company has decided not to sell any of the more than 470 endangered fish species listed in Ordinance MMA 445/2014, even when this is allowed by the legislation. This process is controlled at our Fish Delivery Center. These species include pollack, astyanax, catfish, grouper, porgy and the Atlantic goliath grouper. See the full list here.

This is how we guarantee the environmentally appropriate handling of resources and promote sustainable use.



DECENT WORKPLACE CONDITIONS

The respect for human rights in all value chains involving the operations of suppliers and commercial partners is a central plank of our sustainability strategy. Complying with these guidelines is not only mandatory but also a requirement for supplying products to the Company and maintaining long-term relations. Our priority is to guarantee compliance with and to promote human rights, focusing on suitable working conditions at our suppliers.

All of our human rights commitments are founded on the main documents of the International Labor Organization (ILO) and other UN initiatives, such as the Global Compact, •Sustainable Development Goals (SDGs) and the Framework on Business and Human Rights. These actions are aligned with our purpose and values, to ensure we are a leader in sustainable business and generate a positive end-to-end impact, both on the value chain and means of production, and the everyday lives of our customers and employees.

Our expectations and goals are detailed in the Supplier Charter of Ethics, an integral part of all supply contracts, and the Value Chain Human Rights Policy launched in 2021 (see the highlight).



*A country like Brazil, with a track record of slavery and riding roughshod over peasant rights, has a long way to go to respect human rights in food supply chains. It is crucial for companies to ramp up their human rights diligence processes, including transparency and reporting. We are pleased that GPA is now publishing policies such as the Value Chain Human Rights and Community Relations.*

**Gustavo Ferroni**, Coordinator of Human Rights and the Private Sector, Oxfam

VALUE CHAIN HUMAN RIGHTS

In 2021 we published our Value Chain Human Rights Policy. This sets out the general and specific guidelines around respect for human rights and workplace conditions that our suppliers and commercial partners should follow to guarantee more conscientious manufacturing and consumption. This document establishes requirements in our relations with suppliers and sets out the integrity and compliance criteria required to sustain our commitment to a value chain committed to the environment, people and animal welfare and supplying more sustainable products to our customers, as well as addressing monitoring processes, complaint mechanisms, training and reporting.

Writing this Policy took into account the best responsible market sourcing practices and seeks an alignment around the Accountability Framework Initiative (AFi), an initiative originated to align with and create a common global understanding of the best ethical policies for supply chains.



## SCREENING

[GRI 103-1, 103-2, 103-3\_408\_409]

Before entering a new commercial relationship, potential suppliers and service providers undergo a ratification process in order to guarantee compliance with GPA guidelines, which includes checking slave-labor blacklists (official Brazilian list published by the Ministry of Economics and Labor Inspection Office) and embargoes issued by the Brazilian environmental agency (Ibama). Any companies in these lists are automatically rejected, and are not allowed to supply goods or provide services to GPA.

All suppliers must also commit to only supplying products or services in compliance with the Supplier Charter of Ethics, the Group's internal standards and Policies, as well as local laws and regulations applicable to their activities and international rules, where applicable.

### Screening Audits

As a way of assessing the social compliance of our suppliers we carry out physical audits on plants presenting the highest risks and inadequate labor practices, including all Private Label products. Audits are carried out by independent firms (specialist auditors).

### Initiative for Compliance and Sustainability (ICS)

We are a member of the Initiative for Compliance and Sustainability (ICS) to verify workplace conditions. This methodology includes visiting plants and analyzing documents, in addition to conducting anonymous interviews with employees, addressing the following topics: Forced labor; Trafficking of persons and immigrant workers; Child labor; Freedom of association; the right to collective bargaining; Discrimination; Occupational health and safety and harassment; Pay and benefits; number of hours worked and overtime.

Each ICS audit issues a report scoring the supplier. This score determines whether the supplier is apt to establish commercial relations with the Group, in the following categories:

- ⦿ Authorized supply
- ⦿ Authorized supply with an action plan for completion within six months;
- ⦿ Authorized supply with a mandatory follow-up audit within six months;
- ⦿ Unauthorized supply until a follow-up audit; and
- ⦿ Plant not authorized and blocked from supplying.



Supplier production  
line: Rio Bonito Farm



Due to the Covid-19 pandemic, many social audits had to be rescheduled, which caused delays in this process in 2020 and 2021. Despite these setbacks, we managed to carry out ICS audits on 92% of international suppliers (26% textile, 39% consumer goods and 36% food); and 69.3% of suppliers of our Private Label products based in Brazil (1% consumer goods and 99% food).

In 2021 we suspended a supplier that did not meet the required standards, while 69 plants (16 international and 53 national) had to prepare action plans to adapt their health and safety and working hours practices. In addition to plants, in 2022 we began applying these audits in the field in a pilot project, prioritizing chains posing the highest risk in Brazil.

ABVTEX Certification

Since 2011, all of our clothing, footwear, accessories and textile products from all brands, including our Private Labels, are only purchased from suppliers certified by the Brazilian Retail Textile Association (ABVTEX). The entity brings together representatives of national and international networks and is recognized for its initiatives in favor of responsible sourcing, decent workplaces and combating informality, amongst other areas, in the categories of women's, men's, children's and underwear fashion, as well as bed, table and bath apparel. In 2021, 100% of our suppliers had been audited and were ABVTEX compliant.

PUBLIC COMMITMENTS

- 100% of international suppliers located in risk countries audited in the ICS methodology
- 100% of Private Label suppliers audited in the ICS methodology
- 100% of Brazilian textile factories audited by ABVTEX

ICS AUDIT FLOW



MODA COM VERSO

Launched in September 2021 and spearheaded by ABVTEX, the movement aims to foster a socially responsible fashion industry by encouraging an ethical and humane production chain, committed to combating slave and child labor as well as reducing informality. Extra and many other retailers are a part of *Moda com Verso*.



## SUPPORTING SMALLHOLDERS

We run a series of initiatives to encourage and cultivate sustainable practices amongst smallholders.

### *Caras do Brasil* (Faces of Brazil)

More than 20 years ago we created the *Caras do Brasil* program via Pão de Açúcar, which boasts a portfolio of 26 products and 15 suppliers, impacting some 2 thousand producers, giving a platform to the wisdom and flavors of Brazil's five regions. In addition to expanding smallholder access to mainstream retail, the program fosters the recognition and appreciation of their products, strengthening regional economies and culture by placing food products in these dedicated displays in our stores, with exclusive visual communication and special commercial terms.

The respect for the seasonality and production capacity of suppliers, in addition to their value propositions and brands, is a central plank of this program, which has helped more than 100 small businesses since 2001. In 2021, *Caras do Brasil* expanded its points of sale from 20 to 43 stores in three Brazilian states – São Paulo, Rio de Janeiro



*"We believe Caras do Brasil is a crucial program. It allows people to get to know our product - as is the case with umbu, a Brazilian plum native to the caatinga subtropical vegetation - whilst also opening doors and creating multiple opportunities for the cooperative and its members. We are extremely proud to be a part of this program."*

**Denise Cardoso**, president of Cooperativa Agropecuária Familiar de Canudos, Uauá and Curaçá (Coopercuc).



and Distrito Federal – and to Pão de Açúcar's e-commerce channel. Organic baru nuts were added to our portfolio, characteristic to Brazil's *Cerrado* savanna, produced by Coopcerrado, in addition to sugar-free banana candies, made by farmers from the company Doces Serra Verde. New product launches have been scheduled for the coming year.

All these actions meant that stores reformulating their schedule saw a 66% growth in sales of these items compared with 2020.

To further strengthen the role played by black Latin American women, in 2021 we posted the story of Denise Cardoso in Pão de Açúcar's social media accounts. This young black lady is the president of the Coopercuc co-operative, which has partnered with *Caras do Brasil* since 2011.



### PODCAST

Listen at *Lugar de Escuta* (Place of Listening), a Pão de Açúcar podcast, a special episode about the Brazil nut chain with Adriano Pingo, the coordinator of the Protected Forest Association (AFP), which is home to more than 3 thousand indigenous people, who make a living from cultivating Brazil nuts, encouraging local cultivation, approximating generations and facilitating monitoring of the forest.

*Kayapó* Brazil nuts are a part of the program's portfolio, and in addition to being tasty, are crucial for benefiting this population and essential to preventing deforestation and protecting traditional cultures.

Listen [here](#).





## Muda Meu Mundo (Change My World)

The start-up *Muda Meu Mundo* (Change my World) operates in Ceará state, supporting family farming by supplying technology that can enable producers to sell directly to the supermarket. The project was initiated by way of GPA Labs, the Company's innovation practice, which selects pioneering companies from across Brazil to help enhance customer shopping experiences and to enable a supply of increasingly healthy and sustainable products.

Initiated in June 2021, it began by supplying 30 items to the Pão de Açúcar Náutico store, in Fortaleza, and in four months expanded to six more stores in the region. Change My World connected our customers to some 21 thousand products – including fruit, vegetables and greens – sustainably cultivated by 28 families and offered to consumers in a sustainable format, in paper instead of plastic bags.

Women play a role in 36% of these families, many of them spearheading production, which increases diversity and gender equality in the field. This partnership also minimizes food waste in the supply chain: as the Project's rate was just 0.86%, compared with global food waste of between 25 and 33% according to the United Nations Food and Agriculture Organization (FAO).

All farmers participating in the project receive a certification and qualification by way of a guidance process using video classes and management, pricing and sustainability materials. Change My World also provides information on preserving native forests, reducing carbon emissions, water stewardship and champions social topics - such as family health, gender equality and children in schools.



### THE PROJECT'S ENVIRONMENTAL IMPACTS:

**5,662,570 m<sup>2</sup>**  
of legal reserves

**5,334,650 m<sup>2</sup>**  
of land used for  
sustainable agriculture

**6 liters**  
of pesticides kept out  
of the environment

**422 kilos**  
of chemical fertilizer unused



*We are delighted to support Pão de Açúcar's process of directly connecting with smallholders. Change My World offers producers support in production planning, technical assistance, factoring, small loans and other necessary items. This entire process enables us to deliver positive economic and social impacts to them whilst ushering in an amazing transformation in environmental conservation."*

**Priscilla Veras**, founder and CEO of Change My World



*Everything was uncertain before Change My World. We could only sell in local markets or door-to-door, and nothing could be taken for granted. Change My World really helped us build up our commerce and disseminate our crops, especially during this challenging pandemic period. We also have the confidence to plant in the knowledge we will receive orders every week. I am extremely proud to see my products grace the shelves of Pão de Açúcar and am happy with the recognition we are getting."*

**Vânia Azevedo**, a family farmer in Ceará state and a GPA supplier under Change My World





## Urban Social Allotments

In place since 2018 and carried out by the NGO ARCAH – Association for Citizenship and Love of Humanity, this consists of transforming unoccupied areas in São Paulo city, especially empty plots of land, into areas for organic allotments, by promoting the social uplifting of the homeless.

Participants are selected in shelters and the students receive transportation vouchers, meals, uniforms, therapeutic and psychological assistance and training in agroecology during the 15-week training course. The possibility subsequently exists for remunerated work for people who cultivate, collect and sell greens, vegetables, herbs and spices and ready salads. The project has seven facilities in the city of São Paulo and has now benefited more than 3 thousand people.

With the support of GPA Institute, the Ricardo Jafet Pão de Açúcar store has been selling the project's produce since June 2020. More than 11 thousand items were sold in 2021. Urban Social Allotments' produce was included in Pão de Açúcar's e-commerce portfolio in the year ([paodeacucar.com](https://paodeacucar.com)).

**100 students**  
have completed the project

Since 2020,

**33%**

have returned to the labor market, either through the network of contacts provided by the project partners or hired by the Allotment.



*The Urban Social Allotment is making a real difference in my personal, professional, social and family life and also in terms of my education, much to my surprise, as I sat the Enem examination this year. I have resolved a number of personal issues and am now socializing again and feeling more a part of society. The feeling of being a part of this collection and delivery process with Pão de Açúcar is gratifying, and I am always learning. Having GPA as a partner is unbelievable!"*

**Cesar, former student and farmer of the Urban Social Allotment.**



Urban areas transformed into allotments



## Inclusive business at Éxito

Expanding local, direct sourcing is a priority at Grupo Éxito in Colombia, as part of our strategy to promote sustainable practices and implement programs supporting the country's growth. Our focus is on cities most affected by poverty and violence, where we work with the national government and civil society organizations to promote new and inclusive business models.

To this end, we will establish partnerships to advance local sourcing. Among these partnerships is the Colombian government program *Coseche, Venda a la fija*, a contract farming program. Éxito employees travel throughout the country with representatives from the Colombian Ministry and Secretaries of Agriculture, and organize trade shows to learn about local produce and negotiate offtake agreements directly with each supplier.

The Group establishes partnerships with NGOs and non-profit organizations, and sources produce directly from Colombian farmers. As a result, 89.91% of our fruits and vegetables are purchased from Colombia and 84.46% of them locally purchased from approximately 700 local farmers. These farmers are offered technical assistance to improve yields, manage deliveries and other forms of support, as well as a commitment to purchase their produce at the best possible price, which helps to promote local, social and economic development.

The overarching aim of these initiatives is to advance *Plano de Desarrollo con Enfoque Territorial* (Development Plan with local focus) a partnership between the Colombian Government, the European Union and the United States to promote a market-based, entrepreneurial approach to development, especially in the 170 municipalities most affected by armed conflict and poverty during the period prior to the peace agreement signed with the country's guerrilla movement in 2016.

In addition to direct sourcing, Grupo Éxito supports farmer development through training on farming practices, sustainability, sales, human rights and inclusion. These initiatives are connected to our *Vida Sana* ("Healthy Living") program—which includes clean agriculture—and resonates with our ambition to be a more sustainable company (see page 78 for more on our *Vida Sana* program).

## Juntos Construimos País

Grupo Éxito's *Juntos Construimos País* ("Building the Country Together") initiative works to create a sense of community by sharing stories showing how all play a part in building Colombia. The program was intensified during the pandemic: videos featuring fruit and vegetable growers from all regions of Colombia were released on Independence Day, July 20, to support people through the difficult shelter-in-place period.

The program also included stories showing how 91% of the fruits we purchase are grown locally, as well as journalistic and influencer productions, podcasts, and interviews. To demonstrate unity, several of Grupo Éxito's competitors also participated in the initiatives.

84.46%

of Grupo Éxito's fruit and greens purchases are made directly from local producers



Greens in stores  
in Colombia





# QUALITY ASSURANCE AND VALUE CHAIN RELATIONS

[GRI 103-1, 103-2, 103-3\_416, 416-1]

Quality, safety and health are three requisites we take into account when offering products to customers, always pursuing and valuing best supplier practices. To achieve this, we run a series of programs that monitor, support the development of and ensure our suppliers progress on these fronts, be it for all horticultural suppliers, and the *Programa Qualidade desde a Origem* (End-To-End Quality Program) (QDO). The *Programa Evolutivo de Qualidade* (Quality Enhancement Program) (PEQ) also applies to Private Labels suppliers, which is explained in greater depth below. This sizable endeavor ensures we continue supplying products that encourage conscientious consumption and an increasingly sustainable value chain.

Programs monitor, support development and guarantee our suppliers progress

## PROGRAMA QUALIDADE DESDE A ORIGEM (END-TO-END QUALITY PROGRAM)

Created in 2008, the Program is a first in Brazilian retail for production chain traceability and development, originally for horticulturalists. It aims to guarantee and encourage good practices, promote the highest standards of quality, develop the production chain and its traceability and meet legal food safety and quality requirements.

The Program's pillars aim to assure processes through quality inspections on distribution centers, auditing direct suppliers and producers - fields and farms - sampling and laboratory analyses, mapping data and invoices for tracing and identifying source.

The Program has been subject to a monitoring platform since 2019, in which suppliers share technical information and traceability data and can have access to their performance in audits, inspection rates and results of analyses. All this data also helps the purchasing team select the best suppliers and products for our customers.

See below specific information as to how QDO supports our teams and assures the quality of the products available in our stores for the fruit, vegetable and greens chains and for pork and fish products.



Grape  
production line





Orange production line:  
Citricola Lucato

## Fruit, vegetables, greens and eggs

The program monitors and audits direct suppliers and producers, also by sampling products to have them laboratory tested for levels of pesticides, both in conventional and organic produce. We also audit good storage and handling practices, in addition to cleanliness, pest control and other contaminants. The level of compliance is monitored and improvement plans are imposed on producers performing poorly or slipping in this analysis, with penalties including supply suspensions. Compliance indicators are a performance reference for technical and commercial teams.

In 2021, the QDO FLV dashboard was integrated into *E-nego Tools*, used to request price quotes, allowing the Commercial Department to technically assess supplier performance when obtaining price quotes.

This integration is used to rank suppliers based on their audit score, lab results, traceability score, service level and quality score for goods received. This provides the Commercial Department with information to make the best purchase decision, as well as recognizing suppliers with the best practices.

Next year our target is to carry out quality audits on all direct fruit, vegetable and greens suppliers whilst also heavily sampling products for laboratory testing, thereby combating the use of unauthorized pesticides or pesticides that are harmful to health and the environment.



*We have been supplying GPA for more than 14 years and have been a part of its End-To-End Quality Program - QDO since 2010. There has been nothing but improvements, with comprehensive documentation on how the product left the farm and reached GPA's stores. We now have total control over processes and the company is much more organized. We always sell quality products, but today we can assert that we sell quality products produced sustainably and with unrivaled safety. One of the reasons for this is undoubtedly QDO"*

**Junior Lucato**, Commercial Officer of Citricola Lucato, a GPA supplier and QDO member



## Pork

The pork supplier monitoring project under QDO was initiated in 2020 by mapping out possible partnering certifying bodies and establishing six pillars: biosafety, animal welfare, the environment, social ethics, quality and traceability. To monitor livestock conditions, we built a model of auditing requirements and the checklist of items to be evaluated, integrating retail expertise from pig farming associations and NGOs engaged in animal welfare.

The first phase of the project established metrics for monitoring the stages of production, to promote and assure the welfare of sows and piglets, from the farm to the slaughterhouse. Phase two will take place in the first half of 2022, and will establish metrics for slaughterhouses, as well as the first audits.

## Fishing chain

The platform already leveraged in QDO was the basis for a study initiated in 2020 on the fish supply chain and the implementation of a systematic procedure for receiving fish in our Distribution Centers (DC), ensuring product traceability. Knowing the source also makes it possible to develop initiatives for food safety and animal welfare.



Employee at a Pão  
de Açúcar fishmongers



## QUALITY IMPROVEMENT PROGRAM - PRIVATE LABELS

We have been running the Quality Improvement Program (PEQ) for Private Label suppliers since 2013, which has the mission of ensuring supplier commitment to the quality and safety of our products, thereby strengthening the relationship of trust placed by consumers in our Private Labels by way of audits.

In 2021, our technical team conducted 84 pre-audits, 85 ratification audits (workplace conditions + quality) and 252 maintenance audits (workplace conditions + quality). We also held two Private Label Quality Forums disclosing PEQ findings and our plans for product development, audits and quality management. There were five Quality Development workshops for Private Label suppliers too, addressing the following topics: packaging sustainability; palm-oil production chain and traceability; Taeq product development; food-safety culture and handling nonconformities.

### Performance dashboard

Every quarter we disclose the supplier performance dashboard, which presents the score obtained and guarantees process transparency, encouraging best

practices and the ongoing improvement of our production process, in addition to informing commercial relations. Between the time we began monitoring results, December 2019, and the end of 2021, the average score obtained rose by 110%, which clearly demonstrates the progress made by our suppliers in terms of the quality and safety of the private-level products covered by the Program. We have performed the PEQ working plan, bolstering our investment in supplier training.

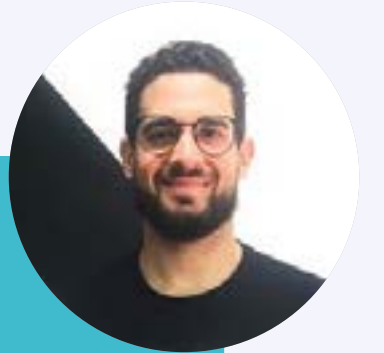
PEQ has a total of 583 plans being monitored and 117 suppliers certified under the Global Food Safety Initiative (GFSI), which sets international food safety standards. PEQ also entails social audits based on the compliance requisites of Initiative Clause Social (ICS).

## CERTIFICATION PROGRAM AT ÉXITO

For suppliers in Colombia, Grupo Éxito has implemented a Global GAP (Good Agricultural Practices) certification program covering aspects such as the environment (biodiversity), food safety and traceability, occupational health, safety and well-being, animal welfare, integrated crop management, integrated pest management, Quality Management Systems (QMS) and Hazard Analysis Critical Control Points (HACCP).



Taeq teas



*GPA does a great deal to help make production more sustainable and internalizing this helps us to keep evolving quickly on this front. This is the awareness GPA demands in its projects and this makes us pursue options*

**Valdemiro Pereira**, founder of Pinati Snacks, supplier of cereal bars to Taeq



## SUPPLYING MORE SUSTAINABLE PRODUCTS

Offering more sustainable products is a part of our business strategy, aligned around the philosophy of nurturing a more beneficial lifestyle for customers, employees and suppliers that is sustainability-centric. To achieve this, every year we enhance and create projects that meet these parameters, such as cutting waste and packaging use, and expanding the portfolio of foods that meet these new consumer trends and demands.

### Our Private Label Taeq

Through Taeq, we are pioneers in healthy eating amongst Private Labels on the market, offering more than 540 products including fruit, vegetables and greens and processed goods.

To become a Taeq label, products must meet the nutritional guide or list of permitted ingredients, and be free of GMOs (*Genetically Modified Organism*), and meet at least one of the following policies:

- Naturally healthy/minimally processed
- Organic
- Whole foods
- Free from (free from sugar, lactose and/or gluten)
- Vegan
- Functional
- Nutritionally enhanced (nutritional equilibrium and stricter limits on sugar, salt and saturated fats)

For the coming years we will continue to improve the health criteria of Private Label products, based on a series of actions:

- Reviewing and implementing the new Taeq guide with formulation requirements for product healthiness;
- Analyzing the portfolio to adapt to the new guide;
- Reviewing the flow of new product development for ingredient evaluation at the beginning of development;
- Investing in training the technical team on allergens and food processing technologies.

**Taeq Boa Escolha (Sound Choice)** – This project consists of offering products not as pleasant to the eye, but which still meet nutritional values and consumption conditions. This enables us to sell organic products for an average 30% less than the same product with the same aesthetic standards, thereby helping diminish food waste.



## Taeq Reformulation at Grupo Éxito

In Columbia, all Taeq label packaging is undergoing a makeover, as part of the Vida Sana strategy (*for further information see page 78*). This aims to make Taeq the number one health food brand in the country. As part of the reformulation, all products in the Taeq portfolio will be ensured to be compliant with Resolution 810, due to come into effect in December 2022, which requires all packaged foods state their contents of sugar, sodium and saturated fats.

Grupo Éxito is working with food manufacturers to ensure products meet the requirements for classification as health products under the new framework. The effort will include communications and sales campaigns to help consumers understand the new requirements and how to make better purchasing choices.

GROW 50%

In Brazil, in 2021, we set the target of increasing the mix of Taeq label organic products by 50%, to have more than 150 products by 2030. When developing new products, we check their certification and also carry out periodic monitoring of items to check compliance with pesticide legislation. If nonconformities are found, the supplier is notified to identify the root cause, to then adopt an action plan.



## REWARDING PARTNERSHIPS

In addition to our Private Label we also source from other suppliers to provide healthier and more sustainable products for our customers, such as:

**Plant-based** – More and more consumers are turning to plant-based products. Always seeking to present innovative products easily, practically and tastefully, we broke new ground upon offering this option in May 2019. An Ibope survey carried out under the coordination of The Good Food Institute (GFI) found that 39% of Brazilians choose plant-based foods at least three times a week. Sales in this category rose by more than 147% between 2020 and 2021. We therefore seek to innovate and expand this portfolio of products that cater to different types of customers, be they vegans, vegetarians and flexitarians - and even those people who are still eating meat and meat products but wish to diversify their options.

**Hydroponic vegetable garden** - Nine Pão de Açúcar stores in São Paulo boast a vertical urban garden, which provides fresh salad leaves directly from hydroponic gardens in the store. Revenue from the sales rose by 15.4% in 2021. The project represents a new way of making purchases and allows us to diminish the use of packaging, as products are placed into paper packaging.



Hydroponic vegetable  
gardens at Pão de  
Açúcar stores



## Vida Sana

One of Grupo Éxito's key strategic initiatives in 2021 was an effort to unify and align the Group under the new **Vida Sana** ("Healthy Living") brand. After an extensive assessment, we rebranded the sustainability program for our Éxito, Carulla, Surtimax, SuperInter and Surtimayorista banners, all of which now share a common strategic positioning revolving around environmental stewardship, self-esteem and wellness.

The program's new logo speaks not only to food-related attributes, but also to consumers' broader concern about healthy lifestyles and consuming environmentally friendly products. The COVID-19 pandemic has also shed light on how aspects such as heart health, mindfulness and emotional health affect overall wellness.

During the year we created a dedicated committee to design the new *Vida Sana* portfolio and review and define what products will be labeled as healthy. These changes are being implemented as part of the brand repositioning effort but also to ensure compliance with new regulations in Colombia establishing limits on the health claims on food products.

**Feria Vida Sana** – Grupo Éxito organizes annual *Vida Sana* trade shows as an umbrella event for our initiatives to healthier lifestyles. In the last two years, the event has been organized in a virtual format due to the pandemic. In 2022 we intended to host it at the busiest convention center in Colombia, the Unicentro mall, in Bogotá, between March 31 and April 03. The event's program covered the three dimensions of healthy living promoted by the Group: exercise, nutrition and emotional health. We also set up a dedicated pavilion for discussing Resolution 810, a Colombian government regulation on nutritional claims on packaged foods.

**Carulla app** – The Carulla app is an integral part of the omnichannel strategy for our Carulla banner, a premium network with more than 100 years of tradition and a presence across all major cities in Colombia. The app brings the Carulla banner closer to customers wherever they are, and is designed around a commercial approach of offering an assortment of fresh, healthy and imported products and a gourmet experience. The Carulla app also provides a guide on healthy shopping depending on customer's gender and family size. Carulla is accessible across multiple channels including the carulla.com e-commerce website and the Carulla app.



Healthy products  
in a Carulla store





## DISSEMINATING SUSTAINABILITY

We are continually seeking to raise awareness amongst our millions of customers about conscientious consumption, sustainability, good health and well-being, matters we are the leading innovators in. We accordingly launched the “Everyday Counts” campaign via Pão de Açúcar in February 2021, in order to further engage people around the importance of daily deeds to build a sustainable future taking into account the Earth’s capacity to produce natural resources. We therefore intend to raise awareness and mobilize customers and society around environmental matters that are interconnected, such as climate change and the consumption of natural resources, also expanding our responsibilities as a business.

In the campaign we promoted the so-called Earth Overshoot Day, still relatively unknown in Brazil and which represents the moment when we begin consuming more natural resources than the planet can regenerate in a year. This point was reached on July 29 in 2021. Earth Overshoot Day is expected to occur between June and July in 2022.

Another initiative in the year was inviting Tembici, the company in charge of Bikes do Itaú, to occupy the parking lots of seven Pão de Açúcar stores on June 05 - World Environment Day and June 06. Five of the banner’s stores in São Paulo and one in Rio de Janeiro then became a part of the Bikes do Itaú map of stations. Cyclists choosing Pão de Açúcar stores as a starting point for their bicycle trips were given Taeq and Qualitá Private Label products and a reusable bag.

In our digital channels - such as Taeq’s *Conquiste sua Vida* website, and the social networks of our labels - we post tips, information, recipes and information on how to live a more sustainable and healthier life, including cutting waste, composting, labeling, and physical exercise etc.

And the pioneering podcast *Lugar de Escuta* (Place of Listening) which we launched in 2020 in the retail food segment, brought new episodes with experts discussing matters like conscientious consumption, meals, waste, sustainable chains, traceability, climate change, diversity and inclusion etc. and was considered to be one of the leading sustainability podcasts by *Exame* magazine, as can be seen [here](#). 28 episodes had been produced by the end of 2021 with more than 2.8 thousand organic listeners.



Pão de Açúcar’s  
sustainability  
campaign



*For more than 20 years Pão de Açúcar has been introducing the topic of sustainability to its customers and provides opportunities to include care and reflections about the well-being of people, animals and nature in their routines. Happiness, which is the brand’s essence, translates into acceptance and recognition of being who you are - and diversity and inclusion are crucial in this journey. Our campaigns are therefore increasingly focusing on these topics, to build a more sustainable, diverse and inclusive society.”*

**Cleia Maria Vieira Marquardt,**  
Pão de Açúcar’s Marketing  
Manager.





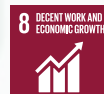
# 06. TACKLING CLIMATE CHANGE

Controlling and  
reducing emissions

Energy consumption

Emissions in logistics

Reducing waste





[GRI 103-1, 103-2, 103-3\_201\_302\_305\_306]

Under our sustainability strategy, we are committed to a circular economy agenda and initiatives toward achieving a low-carbon economy. The circular economy concept arises out of the need to adapt the current model of ‘extracting, producing and disposing’, implementing physical limits. This vision is an efficient alternative that seeks to rethink the way the world deals with products before and after consumption. This involves disassociating the economic activity of consuming finite resources and eliminating waste and losses to guarantee the intelligent use and recovery of natural resources.

We incorporated this concept into our business model, embracing the several ways of making our operation increasingly efficient and diminishing resource waste. The two main pillars related to this topic are tackling climate change and waste production.

To address this challenge, in the last three years we have set targets and implemented systems and processes designed to achieve progress on our commitments to tackling climate change, which include reducing emissions, increasing energy efficiency and purchasing electricity from clean renewable sources.

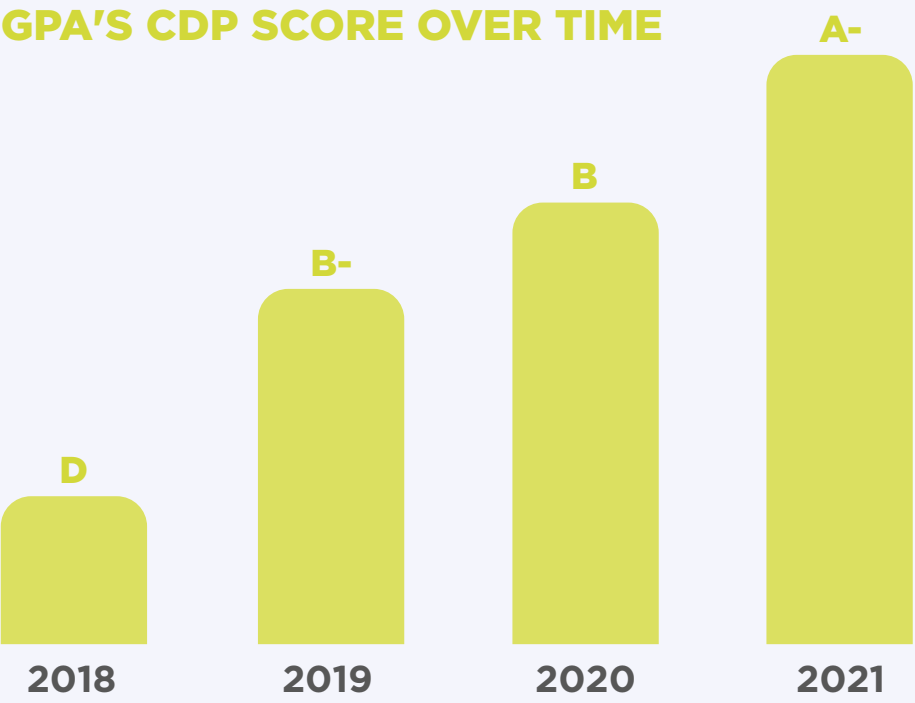
We also follow an Environmental Management Policy that sets out our principles and commitments, as well as guidelines following the priorities set out in Sustainable Development Goals (SDGs) and Casino Group’s Environmental Policy.

To reinforce these commitments, performance-related pay for all eligible positions began to include the Group’s targets

in 2021, namely reducing carbon emissions - and specific indicators for certain parts of the Company, such as Maintenance, by reducing refrigerant leaks and automating air-conditioning systems.

To guarantee further progress in achieving these objectives, we put into practice refrigerant reduction projects, energetic sources and minimized the disposal of waste in landfills. The transparency of these plans accompanied by targets yielded a score of “A-” in the CDP (Carbon Disclosure Program), considered one of the leading initiatives for measuring awareness, risk management and good practices for tackling climate change. This unprecedented score ranked us as the highest food retailer in South America.

GPA'S CDP SCORE OVER TIME



*The greenhouse gas emissions inventory is the first step towards managing emissions. This is the diagnosis that enables us to understand the organization's current situation, which we can use to assertively direct efforts, enabling more and better economic measures to be taken to mitigate emissions as much as possible. In 2021, GPA earned the highest quality score awarded by the Brazilian GHG Protocol program, receiving Gold Status for its inventory. We congratulate the company and its employees on this achievement”.*

**Carolina Palazzini Bastos**  
Researcher at the Brazilian GHG Protocol Program





FreshMarket

CARBON NEUTRAL

As an important milestone for Grupo Éxito, in December 2021 all 21 Carulla Fresh Market stores received zero carbon footprint certification, becoming the first carbon-neutral food retailer in Latin America. A further 31 stores are expected to undergo this process in 2022. As part of the Group's climate strategy, the Carulla banner is working to reduce and mitigate impacts on the environment, and to offset emissions via BanCO2, a Payments for Ecosystem Services (PES) scheme that brings together companies, governments and communities around protecting natural ecosystems in Colombia.

COP26

In 2021 Grupo Éxito actively participated in the 2021 United Nations Climate Change Conference (COP26) held in Glasgow, Scotland, in November. Ahead of the conference, in January Grupo Éxito participated in the FACT (Forest Agriculture Commodities Trade) Dialog on invitation from the UK government. A group of 24 delegates held fortnightly discussions about how countries can take action on forests and land use.

The group's proposals were presented during COP26 and accepted by the Colombian government, which has set a target to cut greenhouse gas (GHG) emissions by 51% by 2030. In addition, Colombia has committed to protect 30% of the country's land and ocean by 2022, to end deforestation by 2030, and to become carbon neutral by 2050. The city of Bogotá has committed to eliminating fossil-fueled public transportation by 2035.

This makes Colombia's COP commitments possibly the most ambitious in the world, and we know they can only be achieved with active support from the private sector. Recognizing this, Grupo Éxito has taken a leading role in implementing climate action.

Carulla Fresh Store





# CONTROLLING AND REDUCING EMISSIONS

[GRI 103-1, 103-2, 103-3\_305]

In the last three years we have acted to perform the target of reducing greenhouse gas emissions by at least 30% by 2025 compared with 2015. Alongside this commitment, in 2021 we pushed this target up to 38% by 2030.

This reduction includes scopes 1 (direct emissions) and 2 (purchased electricity emissions). Indirect emissions, of third parties and which involve scope 3 - were not included in this target at first, but we considered decreasing waste emissions by 20%, which are a part of the scope, by 2025 (also benchmarked against 2015).

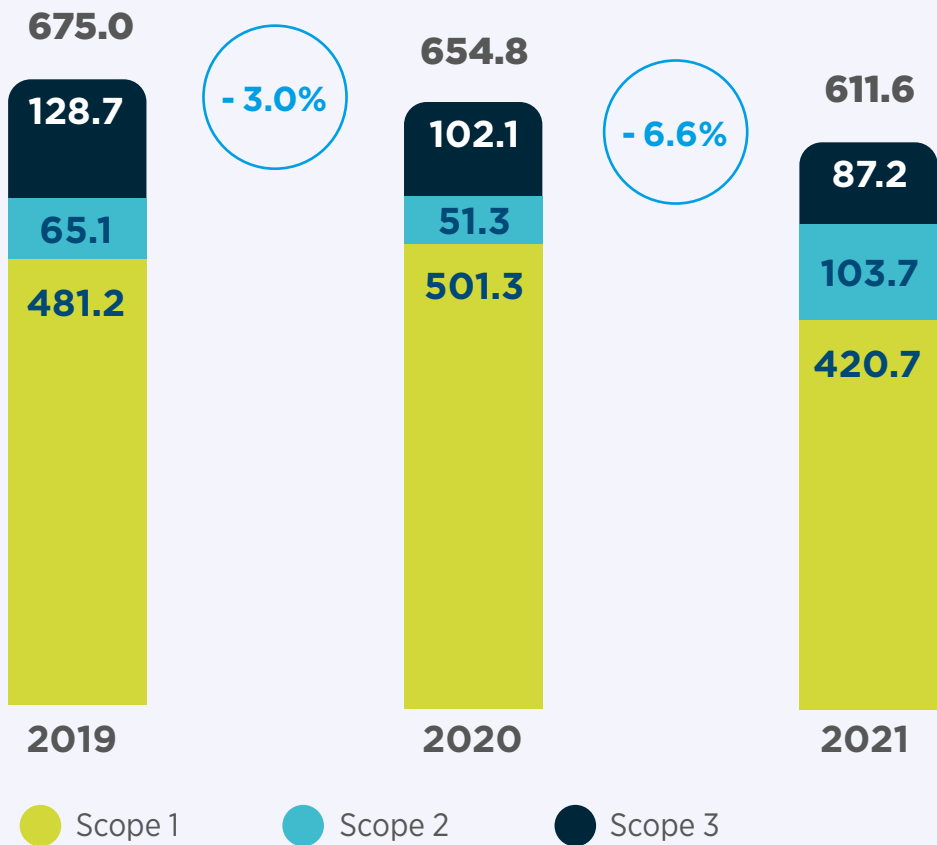
We have been compiling an atmospheric emissions inventory since 2010, and seek to enhance this measurement every year to identify mitigation opportunities and provide transparency to society. The inventory began to be independently audited in 2020. Our initiatives and plans are presented to the CDP, which we joined in 2013 and led to us remaining in two important sustainability indexes of B3: Corporate Sustainability Index (ISE), which requires responding to CDP-Climate to comprise the 2022 share portfolio, and the Efficient Carbon Index (ICO2).

In 2021, our greenhouse gas emissions amounted to 611,617 tCO<sub>2</sub>e, down 6.6% on the previous year. The higher volume corresponds to scope 1, direct emissions, with 68.8% of the total.

As part of our ambition to reduce emissions by 35% by 2023 (2015 baseline), Grupo Éxito recorded emissions of 234,605 tCO<sub>2</sub> in 2021, 13.6% less than in 2020 (271,389 tCO<sub>2</sub>). This performance kept us on the right path to performing our reduction target, which has been supported by a series of initiatives in recent years, such as our Greencool project in collaboration with GreenYellow, which modernized refrigeration machinery and equipment using gases with a lower GWP (Global Warming Potential) at 25 stores (since 2019), supporting 37 thousand metric tons of CO<sub>2</sub>e.

The retrofitting project consisted of substituting refrigerants like HCFC and HFC with more ecological gases (carbon dioxide and propane gas), which helps minimize potential global warming, greenhouse gas emissions and ozone layer depletion. As the worst villains in our scope 1 and 2 carbon footprint are refrigerant emissions (approximately 70%), this project will have a meaningful impact on our emissions reduction strategy.

**GHG EMISSIONS – GPA BRAZIL**  
(thousand tCO<sub>2</sub>e)<sup>1</sup> |GRI 305-1, 305-2, 305-3|



<sup>1</sup> Prior year data has been revised to remove the emissions of Assaí |GRI 102-48|



In 2021, we reduced the amount of refrigerants consumed in our refrigeration systems by 16% on the previous year. This helped us avoid releasing 31,177 metric tons of CO<sub>2</sub>e into the atmosphere that year, and we reduced energy consumption by 34% from 2015 to 2021, thanks to our energy efficiency projects.

In addition to this project, which addresses one of the main climate change offenders, GPA in Colombia also encourages employees to adopt more sustainable lifestyles, with a particular focus on commuting: we offer special discounts to employees who commute to work by bicycle, by electric scooter or by ridesharing.

We also provide sustainable mobility systems at all our stores, allowing customers to recharge their batteries when using electric vehicles for shopping. In Brazil, we have also provided more than 50 parking spots with charging stations at Pão de Açúcar stores, in a partnership with Volvo. In partnership with Oasis Group and Celsia, in Colombia we began installing sustainable mobility ecosystem infrastructure, active and/or electric, at 31 Éxito and Carulla stores and Viva malls.

## PUBLIC COMMITMENTS

- ☉ Reduce GPA's Scope 1 and 2 greenhouse gas emissions by 38% by 2030 (2015 baseline).
- ☉ Reduce Grupo Éxito's emissions by 35% by 2023.

## Refrigerants

At the end of 2020, effective in 2021, we changed our contract model for air-conditioning and refrigeration maintenance, which improved performance and lowered gas consumption. We inserted penalty clauses related to the consumption of refrigerant and created a company team to carry out preventive and corrective work on stores not party to these contracts. We also implemented daily inspections on technical areas of all stores, expediting the process and enabling leaks to be found faster.

Other initiatives included:

- ☉ We identified the Top 10 stores with the highest leak rates in refrigeration systems and began sending monthly reports to maintenance managers to track consumption performance and to avoid the issues re-occurring.
- ☉ We purchased gas detectors to hunt leaks, finding out where they could be located in piping and other areas more efficiently.
- ☉ We swapped refrigerated islands under our renovation/ expansion of stores for a self system running on propane, thereby reducing the possibility and impact of leaks.
- ☉ The manual for new stores now contains a prohibition on the use of gases with high GWP rates.
- ☉ We initiated the Green Cool project to upgrade our machine room, counters and all infrastructure which entails the use of less aggressive gases, in five stores, in transcritical and subcritical systems. The project is expected to be ramped up in the years ahead.



Maintenance activities



# ENERGY CONSUMPTION

|GRI 103-1, 103-2, 103-3\_302, 302-1|

As part of our plan of becoming a more eco-efficient company, in 2021 we continued investing in migrating stores to the free energy market, as a way of prioritizing the purchase of other sources of renewable energy (small hydroelectric power stations, windfarms, biomass and solar). The proportion of these renewable energy sources was 88%.

Our energy consumption amounted to 725,172 MWh in 2021, corresponding to an energy intensity of 771.9 kWh per square meter of retail area, a decrease of 0.5% on the previous year. The year's performance was shaped by the pursuit of opportunities to reduce energy consumption by improving the monitoring and tracking of indicators (by cluster and consumption/m²) and developing specific action plans for the worst performing stores.

More sustainable techniques for building stores and upgrading existing stores improve energy efficiency

## Energy efficiency

Investing in more sustainable techniques for building new stores and improving existing stores is a part of the energy efficiency gains process. Units are built with lighting plans designed to reduce cost and waste, diminishing the use of lights and optimizing acclimatised technical areas.

In current stores we swapped bulbs for more efficient LED models, and installed doors on refrigerated displays, in order to maintain the temperature and reduce energy consumption, in addition to enabling greater flexibility for powering the sales room, reducing the thermal load for cold storage chambers.

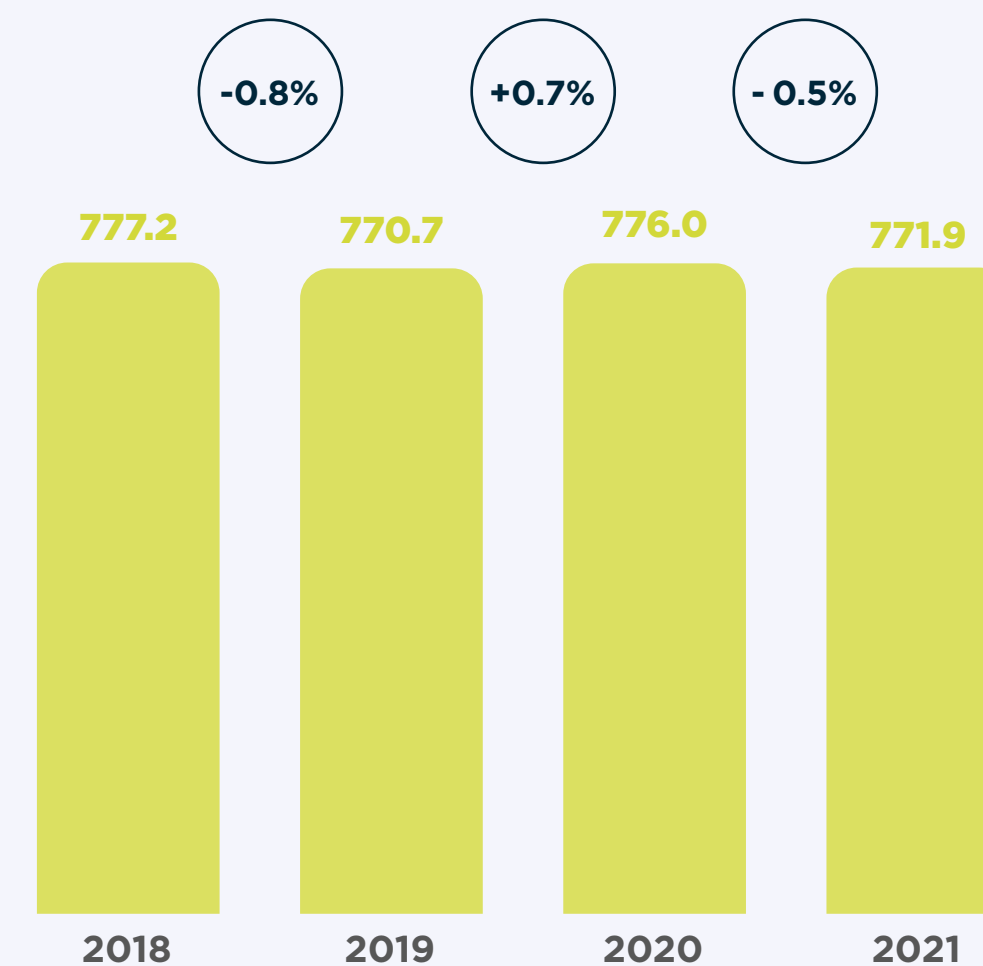
In 2021, we automated the cooling, air-conditioning and lighting system in 30 stores, which enabled energy consumption to be reduced by a total of 1 MWh. At the end of the year, 628 units had implemented these improvements.

We completely or partly swapped air-conditioning systems (chillers and motors) in 17 stores, resulting in the stores reducing their consumption by a total of 1.5 MWh.

## ENERGY CONSUMPTION INTENSITY

GPA BRAZIL |GRI 302-3|

(kWh/m²)





## EXPANDING RENEWABLES

Our emissions reduction and decarbonization strategy relies on using energy from renewable sources. We were the first retail food company to migrate to the free market, where we can choose where our energy comes from. At the end of 2021, 391 units had contracts in the Free Contracting Environment (ACL), an increase of 48% compared with the previous year. We achieved 88% of consumption, approaching our target of consuming 94% of our energy in the free market by 2024. For 2022, we have committed to migrating 100% of medium-voltage energy consumption to the free market.

In 2021, we negotiated a contract in order to obtain I-REC status, from International Rec Standard, a global system for renewable energy certificates. 1,362 MWh was certified in the year, for the consumption by eight Compre Bem stores.

In addition to these initiatives, we continue our on-site power generation in solar power plants located on store tops. A Pão de Açúcar store, in Sorocaba (SP), and a Minuto Pão de Açúcar store, in Campinas (SP), have such solar facilities, capable of generating 117 MWh of energy.

Grupo Éxito is pursuing a plan to reduce electricity consumption and generate its own electricity using solar panels and solar farms. In a partnership with GreenYellow, solar panels have been installed at 10 Carulla stores, avoiding approximately 100 metric tons of CO<sub>2</sub> emissions per year.

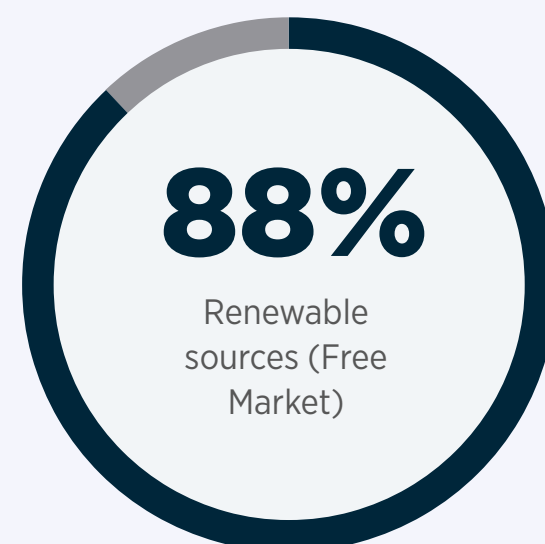
### PUBLIC COMMITMENT

- 🕒 94% of the Company's energy consumption with an energy matrix from the free market by 2024.

### ENERGY SOURCES - GPA BRAZIL

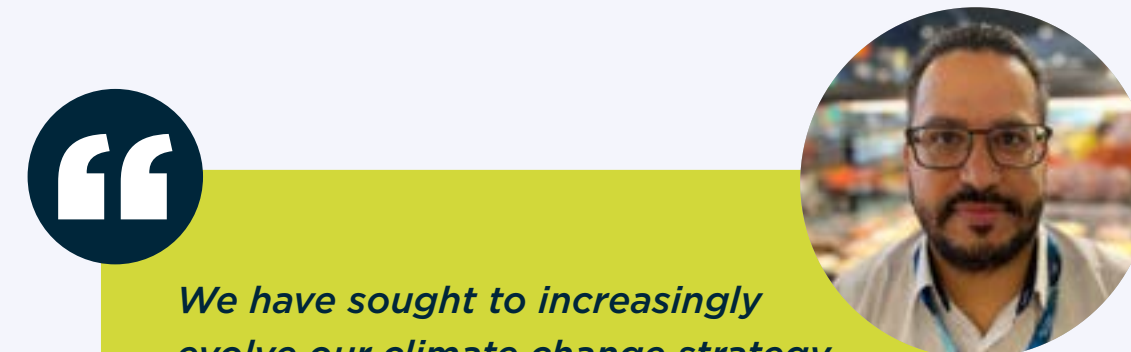


Solar farms



### RECYCLED WATER

In 2021 we implemented a rainwater recycling system in one of our administrative office's buildings. The tank can store 14 thousand liters, enough to water gardens, clean patios and carpets.



*We have sought to increasingly evolve our climate change strategy. One of our focuses within this pillar since 2005 has been increasing the consumption of electricity generated by other renewable sources. In addition to 391 stores migrating to the Free Energy Market, in 2020 we began purchasing I-REC certificates for Compre Bem stores, thereby assuring the source and cultivating the use of renewable energy services. For the years ahead, we want to bolster these initiatives and expand them to other banners"*

**Fabiano Dantas**, GPA Maintenance Manager



# EMISSIONS IN LOGISTICS

As a food retailer, the distribution of products to millions of families is our core business focus. Our logistics operation continuously invests in innovation technology to enhance the delivery of purchases to customers and restock our units.

In 2020, we fine tuned the way we analyze emissions across our entire logistics fleet chain to adopt measures that help mitigate the environmental impacts produced by these operations. In addition to the challenges of phasing out fossil fuels, we understand that reducing the consumption of fossil fuels is also an important part of transitioning to a low-carbon economy. In 2021, we reduced the number of business trips by 8.7% compared with 2020 by continuing, expanding and implementing new supply practices.

That year we consolidated projects implemented at the end of 2019, which helped drive down greenhouse gas emissions, including: A routing optimization system which improves the efficiency of our cargo composition, expanding projects to reduce the need for vehicle use (multi-type, multiple collections and transit points) and using a more efficient fleet (electric vans, electric tricycles and bicycles).

## SUSTAINABLE MOBILITY

An essential part of the logistics plan led us to invest in sustainable mobility in 2021, diversifying means of delivery and goods transportation for journeys between the Distribution Centers and stores. In addition to cabotage, which we were already using in the Southeast and North-east Brazil, we began using electric vehicles in Brazil and Colombia.

In the cities of São Paulo and Rio de Janeiro, a number of orders made through the site, loyalty application and WhatsApp to Pão de Açúcar and Pão de Açúcar *Fresh* are delivered by electric vans and tricycles with a capacity to travel up to 300 km and to make 15 to 30 deliveries a day. We expect to expand the area covered and the number of vehicles, making 5% of e-commerce deliveries. This service will be rolled out in other cities in 2022.

- ⦿ **Electric vans:** The first electric van began operating in August with the same capacity as a conventional utility vehicle to carry goods to e-commerce customers. From August until the end of the year, 4,985 kilometers were traveled, in 89 trips delivering 1,255 orders.
- ⦿ **Electric tricycles:** The first electric tricycle began to be used at the Pão de Açúcar store in Leblon, Rio de Janeiro, in July 2021, which had risen to three stores by the end of the year. Pão de Açúcar *Fresh*, in São Caetano do Sul (SP), also began using tricycles to deliver orders received via WhatsApp. In addition to

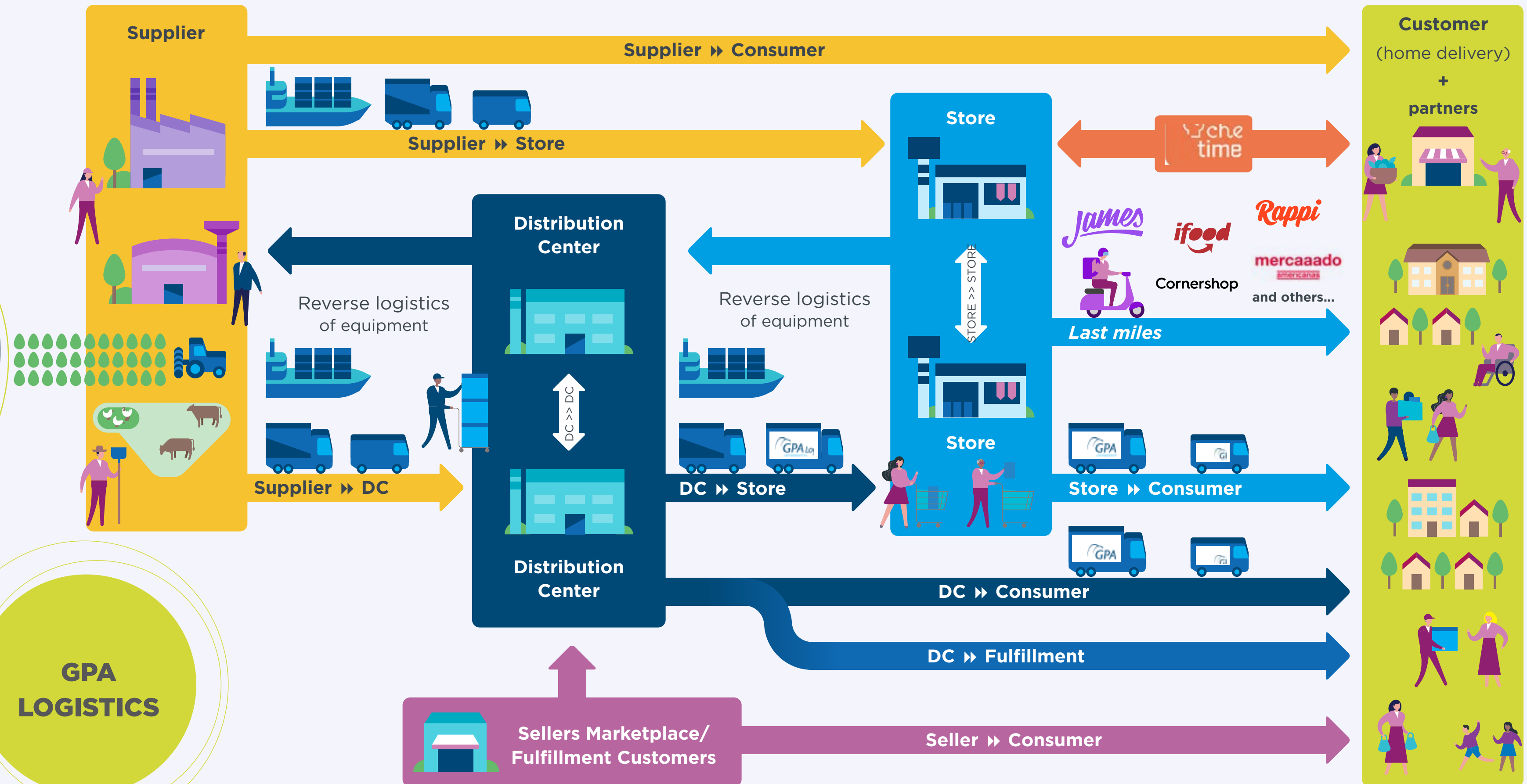
facilitating access to roads, the vehicles help diminish the emission of pollutant gases. In total we handled 3,771 orders in 731 trips involving 14 tricycles.

- ⦿ **Bicycles/Walker:** Last mile operation (e-commerce deliveries originating in stores) including short-distance deliveries within 30 minutes. We expect that 5% of deliveries will be made in this format in 2022.
- ⦿ Grupo Éxito has 33 electric vehicles for last-mile deliveries and logistics, accounting for 38% of the company's total fleet. It also has six trucks running on natural gas.

Types of delivery vehicles









## ROUTE OPTIMIZATION

We seek greater efficiency in logistics processes, which involves optimizing the route traveled by vehicles between the Distribution Centers, our stores, the facilities of marketplace partner sellers and customer homes. This translates into cost and time savings and lower atmospheric emissions.

In April 2021, we initiated a project that synchronizes pathfinding, better planning the route between the stops to pick up products from partnering sellers and our customers' homes.

This created synergy between the operations of the marketplace and the Distribution Centers/customers, reducing the use of empty vehicles to pick up goods. We closed the year with 21 partners joining this program. Moving forward, we will prospect new sellers (commercial partners) to further optimize routes and diminish mileage.

A further example of optimizing the logistics process involves all products of the Pão de Açúcar banner purchased online, which in 2021 began to be sent from six Distribution Centers dedicated to this operation, in addition to offering same-day deliveries from the facilities for more than 250 stores in Brazil.

## OPTIMIZED ROUTES

### MULTIPLE COLLECTIONS (RIDESHARING)

This optimizes supplies by directing vehicles to make collections from more than one Distribution Center using just one vehicle to make deliveries to the store in multiple categories. We avoided 6.2 thousand trips in 2021 by using this supply model.

### PRODUCTIVITY

This optimizes the operation by raising the productivity of deliveries by vehicle and dynamic on-demand allocation. The operation enabled us to take them 100 vehicles off the road (15% compared with the previous year). We are targeting a reduction of 35% for 2022.

### SYNCHRONISATION

Synergy in collecting products from partnering marketplace sellers and DCs/customers, diminishing mileage.

### REGIONALIZATION

Optimization of the flow, through the direct delivery of specific goods (such as cell phones, for example) to regional Distribution Centers. Instead of sending the merchandise to the main DC in São Paulo (SP), the merchandise goes directly to the destination DC, thus reducing shipping and mileage.

### REDUCING "DEAD MILEAGE"

Increasing routes to better leverage inbound operations (transportation from the producer to the Distribution Centers), avoiding dead mileage in both trips, i.e., vehicles carrying no cargo. Before the project was implemented, we had 600 routes/month with 2% utilization. At the end of 2021 this had risen to 15% for the average annual use, rising 23%.

### BACKHAUL

Operation in which the same vehicle that delivers products in one of our stores does not return empty to the Distribution Center, instead going to one of our suppliers to collect products and deliver them to the Center.

### TECHNOLOGY

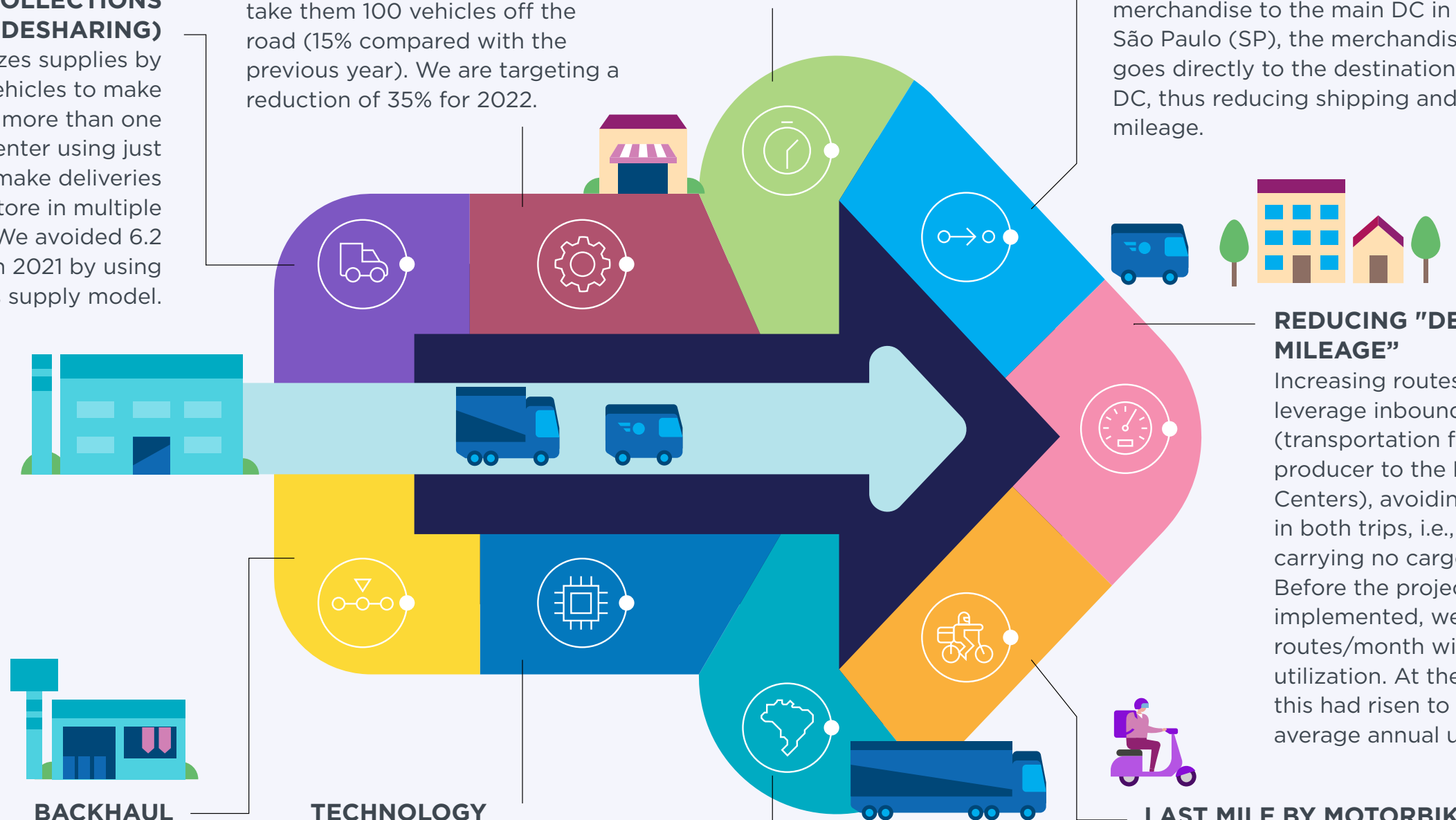
Roll-out of the new Transport Management System (TMS), which optimizes delivery routes, thereby reducing the number of vehicles on the road and consequently reducing GHG emissions.

### TRAIN TRUCKS

This optimizes supply logistics between São Paulo (SP) and Brasília (DF), which consolidates two trailer trucks (24 pallets) and uses a single truck to make the journey.

### LAST MILE BY MOTORBIKE

10% of e-commerce orders with deliveries originating from our stores are now carried by motorbike, i.e., the cubic volume of these orders does not require the use of a utility vehicle, thereby generating efficiencies in such deliveries.





# REDUCING WASTE

|GRI 103-1, 103-2, 103-3\_306, 306-1, 306-2|

A consistent waste reduction program is another climate change measure we have implemented. This is because solid waste is a source of GHG emissions, not just because of its relation to production and consumption, but also because it emits methane (CH4) when placed in landfills or garbage dumps.

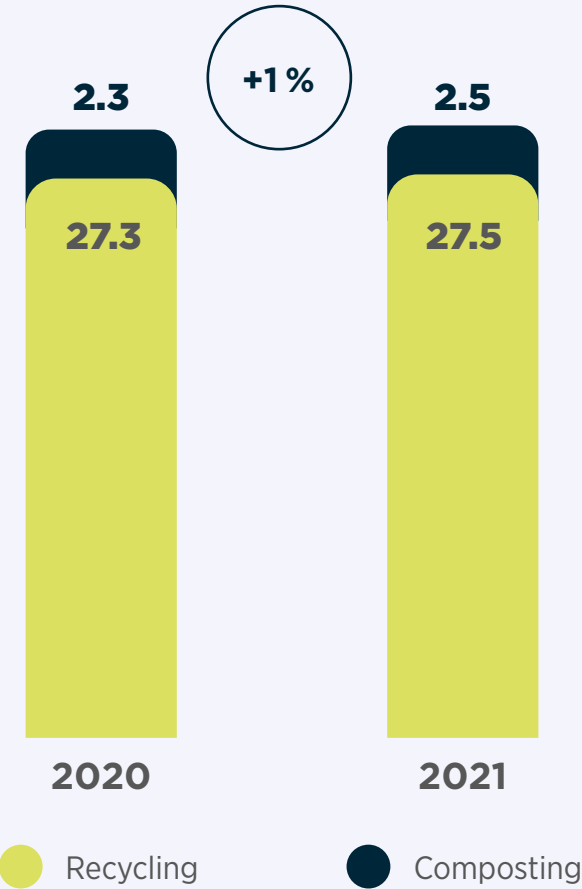
We manage our processes to reduce the volume of waste generated in operations and to guarantee the proper separation, handling, storage and final disposal. This helps avoid contamination, minimizes the disposal of waste in landfills and improves recycling. We segment this process into three areas of action: reducing the generation of waste in our operation, encouraging circularity and combating food waste.

In order to mitigate the impact of solid waste on our operations, we implemented a series of initiatives and employee training to diminish the generation of waste and bolster proper separation and disposal procedures. In 2021 our stores produced about 27.5 thousand metric tons of waste which was sent for recycling and a further 2.5 thousand metric tons was sent for composting.

Grupo Éxito has also embraced the circular economy revolution, working on three fronts: better packaging, less packaging and better systems. It sent approximately 20,975 metric tons in 2021, approximately as much as Colombia recycles in a day.

## RECYCLED AND COMPOSTED WASTE - GPA BRAZIL

(thousand tons) |GRI 306-4|



Products close to expiration





## REUSE PROGRAM

In 2021, we initiated the REUSE program to achieve targets of reducing the amount of waste disposed of in landfills. It aims to enhance the separation, storage, transport and disposal of waste in five steps: defining an action plan, infrastructure adjustments, adapting materials, in-store team training and monitoring and tracking indicators.

For 2022 we will roll out REUSE at all stores and are planning to structure a management model, detailing waste profiles, procuring specialized suppliers and monitoring the operation, in order to optimize and reduce the volume of waste sent to landfills, in addition to improving indicator management.



Training in store  
about the Program

## REVERSE LOGISTICS

We encourage more sustainable practices at our customers by offering reverse logistics programs in partnership with several companies, public agencies and managing entities of certain classes of waste. We are pioneers in implementing recycling stations, in the belief that offering accessible voluntary drop-off points to the population is essential to nurturing conscientious consumption and a healthier lifestyle.

In Colombia, Éxito has 40 stores in four states where clients can deliver materials such as glass, cardboard and cans. In 2021, these stores recycled approximately 788 metric tons of waste materials that customers traded in for points in Éxito's loyalty program, *Puntos Colombia* (learn more about the program on page 20).

In Brazil, the first recycling stations were installed at our Pão de Açúcar stores in 2001 - which is 20 years ago. Since then, we have expanded the number of voluntary drop-off points in the establishments of other banners, as can be seen in the next page.



Recycle Station  
Pão de Açúcar Unilever



*It's amazing when two companies join forces to facilitate a sustainability initiative, targeting the proper disposal of waste as well as playing an educational role. Our Recycling Stations have a socio-environmental impact on multiple families through partnering cooperatives and start-ups, in addition to benefiting the environment, by fostering circular-economy arrangements for its waste materials. In conjunction with GPA, Unilever believes that the program is critical to reaching multiple stakeholders and as many locations as possible."*

**Emanuel Cavalcante**, Business  
Leader at Unilever Brazil



**PET bottles**, in 2021 we initiated a pilot project at six Minuto Pão de Açúcar stores in partnership with Green Mining. **29.5 kilos** of this material was collected in two months.

**Lamps**, in partnership with Reciclus, present in more than 100 stores, over **6 metric tons** of lamps were collected in 2021.

**Coffee capsules**, in partnership with Nestlé Dolce Gusto, 58 Pão de Açúcar stores have been accepting used capsules since 2016. **10.2 metric tons** were collected in 2021.

**Batteries**, in partnership with Green Eletron, we have collection stations in all our stores that received **7.71 metric tons** of this waste in the year.

**Glass**, initiated in 2020 in partnership with *Green Mining* and Ambev, the “Have you got glass for recycling? Bring it to Minuto” began at six stores and expanded in 2021 to 57 Minuto Pão de Açúcar and Pão de Açúcar Fresh, stores, covering 92% of the network in São Paulo city. More than 39 metric tons of glass waste were collected in the first two years of the project in the São Paulo capital alone, with **21.8 metric tons** in 2021.

## REVERSE LOGISTICS PROGRAMS

**Recyclable materials** (paper, glass, metal and plastic), in partnership with Unilever, the Pão de Açúcar Unilever Recycling Stations have been present in 94 Pão de Açúcar stores since 2001, with the donation of collected materials to 23 waste picker cooperatives of recyclable materials. In 2021, **2.8 thousand metric tons** were collected. In the year we expanded this partnership into a new initiative, the **Molécoola** loyalty program by way of OMO, the company’s flagship brand in Brazil. The recycling stations have been installed at seven Pão de Açúcar and Extra stores in the city of São Paulo. Any person can register, bring in their disposable materials and earn points that can be cashed in for discounts on the site [www.molecoola.eco](http://www.molecoola.eco) and the Molécoola app. Initiated in July, the project has collected more than **60.6 metric tons** of recyclable material.

**Appliances**, in partnership with the Brazilian Association for Recycling of Electronics and Home Appliances (ABREE) and Green Eletron, we have set up collection stations in 14 stores, which collected a total of **3 metric tons** in 2021.

**Styrofoam® (EPS)**, in partnership with the Plastivida EPS Committee

**Cork stoppers**, this started in 2019, in partnership with Corticeira Paulista, responsible for treating the corks, crushing them and turning them back into raw material. This service is available at Pão de Açúcar Adega and received **6.2 thousand** corks in 2021.

**Medication**, in partnership with Eurofarma, 25 stores have medication collection facilities. In 2021, **2.3 metric tons** were collected.

## COMBATING WASTE

We continue working to reduce the waste in our operations. This is a challenge that requires us to develop projects that expand the more assertive use of products. There are three initiatives towards this end:

- Every week we audit the expiry date of products to detect those nearing expiry. At certain stores, we then erect a specific display for these items, which are sold at discounts ranging from 10% to 50% below the sale price, an initiative combining waste reduction with savings for customers. 41 million such products were sold in the year instead of being disposed of.
- Since 2020 we have run a Loss Prevention program setting out guidelines to monitor and track the number of breakages and product losses. The Program is structured around three pillars: support (actions to prevent and combat breakages); breakage intelligence (monitoring and planning to guide decision making); and methods and processes (application of continuous improvement tools).
- We implemented a performance matrix focusing on management to avoid purchasing and sending more products than necessary to stores.

Together these initiatives will drive losses down by 5% on 2020.

In the year we initiated a pilot program in the fruit, vegetables and greens section of the Pão de Açúcar banner, to transform products that are not as pleasing on the eye. In the “embaladinhos” project, these products are diced and packaged, cutting corners for customers whilst cutting waste. And in the “madurinhos” project, we identify products that are ready for consumption, also thereby diminishing waste. For 2022, we intend to expand this program to the fruit, vegetables and greens section of the Mercado Extra banner and all Pão de Açúcar stores.



*We currently serve 290 families and 330 disadvantaged children registered at the NGO, suffering from truancy and other issues, located in our surroundings. We would initially like to thank you for these eight years of partnership with GPA Institute. Without you, we wouldn't be able to help so many families. Many thanks!"*

**Bianca Moraes**, President of the NGO Frutos do Amanhã, in São Vicente, southern coastline of São Paulo.



### TAEQ BOA ESCOLHA (SOUND CHOICE)

Our Private Label program offers fruit, vegetables and greens not as pleasant to the eye, but which meet nutritional and consumption values, enabling organic products to be sold for an average 30% cheaper, thereby helping reduce food waste.

Selection of  
products for  
donation





## Partnership in fruit and vegetable donations

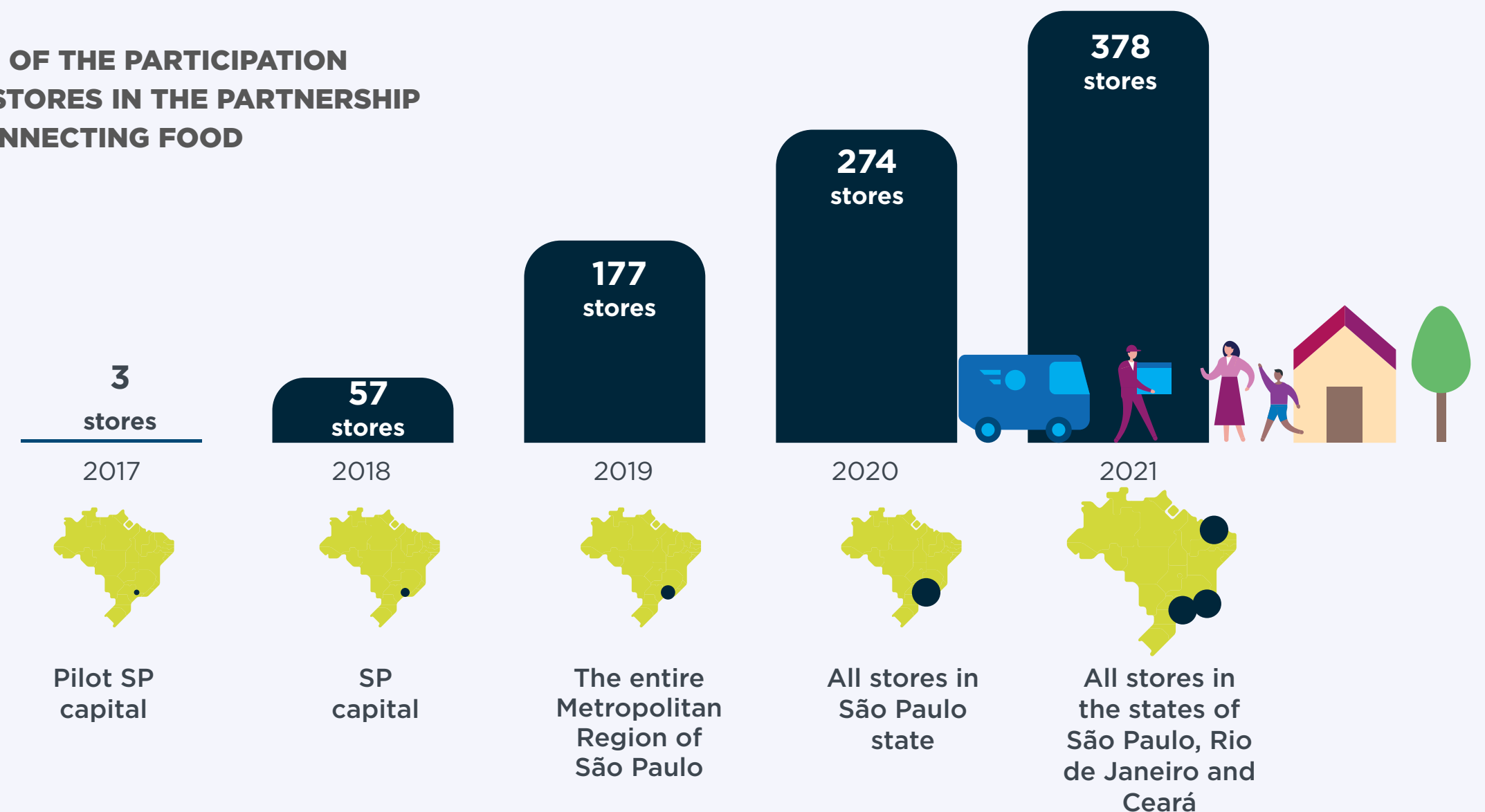
Initiatives for food safety and to reduce the environmental impact of the unnecessary disposal of waste are targeted by the Partnership Against Waste Program, which we created in 1995. By way of this program we donate to food banks and social institutions the fruit, vegetables and greens that are suitable for consumption but not attractive enough for sale to end customers.

In 2021, these donations reached the monthly average of 321.7 metric tons of food produce at 413 Pão de Açúcar, Mercado Extra and Extra stores, totaling more than 3.8 thousand metric tons (26% increase on 2020). We intend for all Pão de Açúcar, Mercado Extra and Extra stores to be participating in the Program by 2023.

In partnership with the start-up *Connecting Food*, a company that efficiently manages food donations by our stores and partnering institutions, we managed to expand the project to 104 units, covering the entire state of Rio de Janeiro and Ceará. This helped us reach 378 Mercado Extra, Extra and Pão de Açúcar stores, which are monitored monthly with data and donation indicators for each store. We also expanded the partnership to the Compre Bem banner and in 2021 began making donations at the Jundiaí (SP) store.



## GROWTH OF THE PARTICIPATION OF OUR STORES IN THE PARTNERSHIP WITH CONNECTING FOOD





## LESS PACKAGING

In 2021 we continued our efforts to reduce the use of packaging in our stores and Private Label products. The plan involves projects developed in new formats for consumers, profitability and differentiation for our banners and labels. We are developing initiatives in three lines: reducing plastic packaging, replacing packaging and Private Label initiatives.

### Reducing the use of plastic packaging in stores

**Bulk organic produce** – Selling organic produce without packaging helps reduce prices by up to 30% compared with prepackaged organic produce, and gives customers more choice, through sustainable consumption by only taking the amount they actually need, choosing sizes and shapes that are best suited to the requirements. The project started out life at two Pão de Açúcar stores in São Paulo and was implemented in the new Pão de Açúcar *Fresh* concept in 2021. For 2022 our target is to expand this to more stores in this banner.

**Store in Store Bulk/Biomundo** – This aims to enable customers to buy bulk produce, such as cereals and grains, amongst others, using returnable packaging thereby reducing the amount of single-use materials. The project was created in partnership with Biomundo, as a Store In Store concept, providing customized services to customers and a broad product mix. Initiated in 2020, this was expanded to three stores in 2021.

**Mushrooms and miniature vegetables in bulk** - This concept enables customers to choose the amount of produce they want and to place the produce in paper packaging, thereby avoiding food waste and reducing our environmental footprint. Miniature vegetables including bell peppers, marrows, zucchinis, eggplants and tomatoes can be found at 302 stores; our mushrooms include the shimeji, shiitake and Portobello varieties and are on sale at 81 Pão de Açúcar stores, enjoying a 6.7% rise in sales. We are considering improvements for 2022, such as display models and expanding the existing product range, as well as the possibility of expanding the project to other regions.

**Reutilizar #PraSerFeliz (Reuse #ToBeHappy)** – This program encourages Pão de Açúcar customers to purchase bulk produce by using Pão's own packaging (which can be reused) or recipients from their homes.



Bulk miniature vegetables at a Pão de Açúcar Fresh store



## Packaging replacement

### Duofresh packaging for delicatessen cold cuts -

Implemented at Pão de Açúcar stores, this packaging replaces Styrofoam trays and is made of *kraft* paper and polyethylene. Separating the paper film from the plastic and sending it for recycling significantly reduces our environmental impact, and the paper used has FSC certification, i.e., it comes from areas with responsible forestry management.

**Biodegradable greens packaging** - We are the first retail company to announce the replacement of styrofoam trays used in green produce (fruit, vegetables and greens) with a biodegradable solution. Used for products of our Taeq and Qualitá Private Labels, the new packaging is made of cellulose and starch, is free of petrochemical products and toxic additives and fully biodegrades in six months.



Biodegradable  
packaging

**Styrofoam free** - Éxito establishments in Colombia have completely eliminated the use of expanded polystyrene packaging (Styrofoam®) for fruit and greens.

**Carrier bags for points** - Since 2015, Grupo Éxito has reduced the use of plastic bags at our points of sale by 68%. As an incentive, customers receive three *Puntos Colombia* loyalty points for every reusable bag they use or purchase, which they can trade in for discounts on products (learn more about the program on page 20). Since October 2021, two days of the week have been designated as no-plastic-bag days, and customers are asked to bring their own reusable bags.

## Private Label Packaging

**Novo de Novo (Newly New Program)** - In 2021, the Program was reformulated to expand its scope and include other areas to be disclosed in 2022. One of these actions entails analyzing Private Legal packaging to make it 100% recyclable, compostable or biodegradable. It started in 2021 and has undergone a number of changes, as is the case of the new packaging for the Nous cotton buds, in the personal hygiene segment.







# 07. DIVERSITY AND INCLUSION FOR OUR PEOPLE

- Diversity and inclusion
- Culture and engagement
- Good health & well-being
- Training and development



MATERIAL  
TOPICS



STRATEGIC  
PILLARS



SDG





# DIVERSITY AND INCLUSION

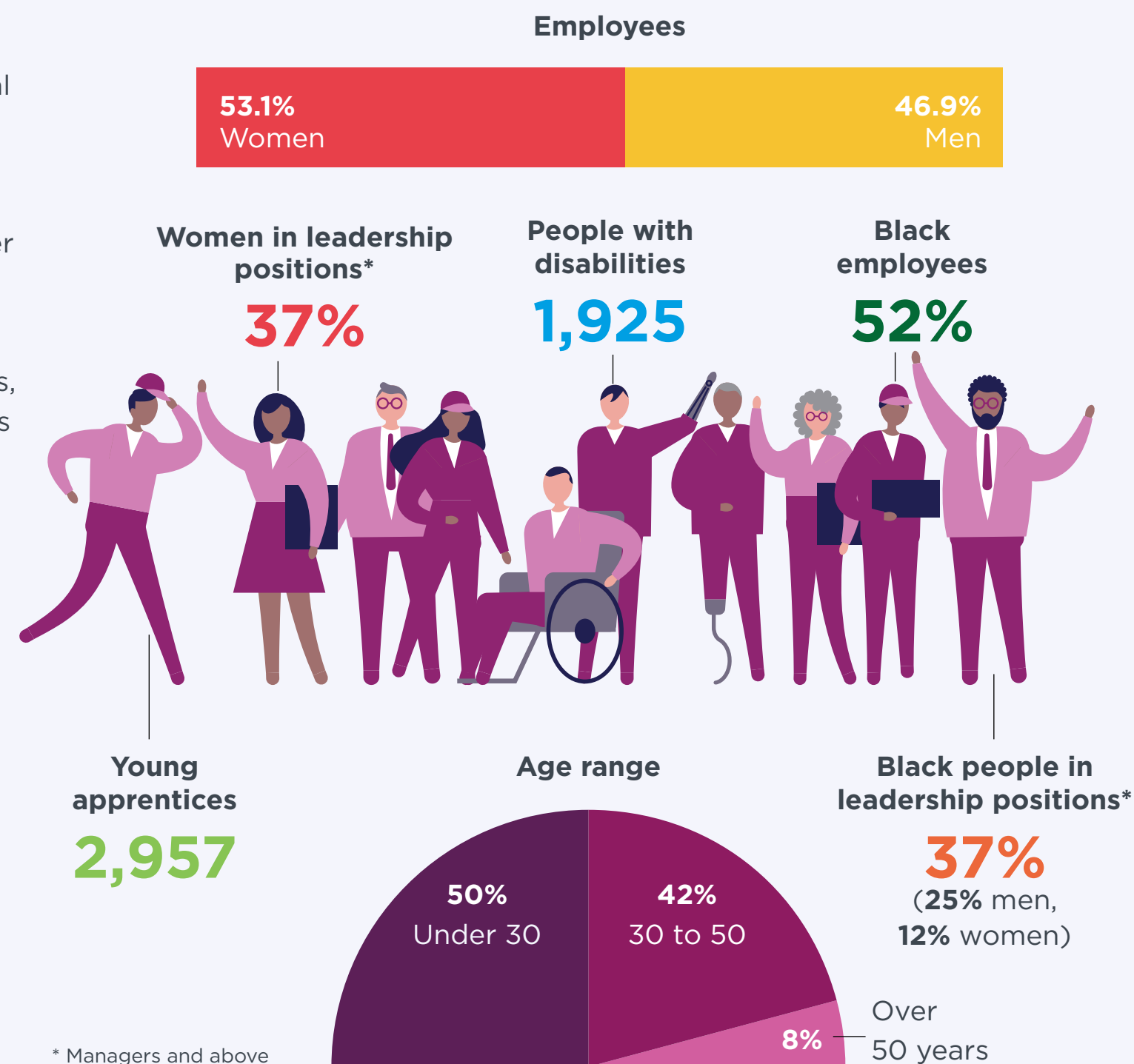
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We believe in inclusion and promoting diversity in all its forms. To fuel this movement, we maintain strong programs and rely on the support of external entities that help us think about how to guarantee the rights of all people, regardless of age, gender, sexual orientation, origin, race, color, physical condition, religion, marital status, nationality, gender identity and/or expression or any other identity marker, family situation or any other condition.

To give transparency to our positions and directions, we maintain a Diversity, Inclusion and Human Rights policy underpinned by international principles assured by the UN's Universal Declaration of Human Rights. We have undertaken a commitment at the Company and our value chain to ensure the dignified and respectful treatment of all people, leaving no doubt that we will fight and not tolerate any form of discrimination, and want to cultivate a workplace that values and respects equal opportunities in all places.

This Policy informs our initiatives on several fronts: awareness/engagement initiatives, campaigns, programs and communication. In 2021, we participated in multiple questionnaires on the matter, such as IERE (Corporate Index for Racial Equality); MOVER;

## OUR DIVERSITY FIGURES



Bloomberg Gender Index; Ethos MM360 and Ethos REIS (Business Network for Social Inclusion).

We received important acknowledgments, such as the WEPs award (UN Women) in the Silver category as a company that aids female empowerment; 1<sup>st</sup> place in the category Corporate Census, in the second edition of the Racial Equality Index compiled by the Business Initiative for Racial Equality; in addition to our presence in the Bloomberg Gender Index, aiming for gender equality; valid for 2022.

In 2021, we ramped up our affirmative action by launching the first Intern Program solely for black people (*see more on page 107*).

This ensures we keep progressing on this matter, enhancing initiatives and processes to pursue a more diverse and inclusive society. More detailed information can be seen below on each of these initiatives.

## PUBLIC COMMITMENTS

- ☉ 40% of our women in leadership positions (managers and above) by 2025
- ☉ 50% black employees



## INITIATIVES AT ÉXITO

In Colombia, Grupo Éxito has an Inclusion and Diversity Policy in place and, as of December 2021, had 145 employees with disabilities and 202 employees formerly in vulnerable situations (such as the homeless or former inmates). Over the year we expanded our partnerships with charitable institutions to find gainful employment for these groups. One example is our partnership with *Instituto de Bem-Estar Familiar*. Other initiatives in aid of diversity include:

- ◉ A diverse and inclusive Corporate University with nine virtual training programs related to inclusive language, nondiscrimination, job inclusion, gender equality, the workplace, sexual harassment, and accessibility. A total of 56,022 people received training.
- ◉ Provision of sign-language interpreters in all training programs and major events, to raise engagement with customers with hearing impairment.
- ◉ “*Estamos aqui ao seu sinal*” program, in which customers with hearing impairment can request a videoconference with an interpreter to enable them to participate.
- ◉ All new stores have been redesigned as accessible facilities, and are required to employ at least one person with a disability. In 2021 we created nine accessible stores.
- ◉ We developed five synchronous training programs, in which students and instructors simultaneously participate in a virtual environment, to nurture skills

related to inclusion. One example is *Hombres Inéditos*, a training program about the role of masculinity in the twenty-first century. We achieved more than 45 thousand views of our virtual programs and approximately 1 thousand participants in synchronous training. This content has also been shared with more than 20 suppliers to raise awareness in our value chain.

## DIVERSITY COMMITTEES

At GPA we have a Sustainability and Diversity Committee comprised of six Directors who advise the Board and meet with executive board members to discuss and advance our agendas. This Committee’s work is explained in Governance, on page 34.

Grupo Éxito has two inclusion and diversity committees. The first is composed of a group of sponsors—including vice presidents, directors and managers—who are responsible for taking significant decisions around strategy and budgets. A second committee is responsible for implementing actions in support of this strategy. This committee is composed of 30 people from 17 departments, and is also responsible for managing our gender equality and equity system and responding to Equipares equity certification questionnaires (*see more on page 107*)

## COMMITMENTS

Our initiatives buttress initiatives and commitments we have undertaken and which we are party to, including:

UN Women, Unstereotype Alliance, *Mulher 360* Movement, Business Coalition to End Violence against Women and Girls, Business Coalition for Racial and Gender Equality, Movement for Racial Equality (MOVER), 10 Company Commitments to LGBTI+ rights, The Partnership for Global LGBTI Equality, AR Movement, Business Initiative for Racial Equality, and Compact for the Inclusion of People with Disabilities.

Read more about them on page 35.



## Affinity groups

In order to bring people together, nurture the sharing of experiences, instill a sense of belonging, raise awareness and engage partners, GPA has resumed focusing on affinity groups.

Each of them has some 60 participants and is supported by our Diversity practice, seeking to encourage initiatives to attract, retain and nurture talent and raise awareness of employees and society about the importance of respecting diversity.

- LGBTQIA+ GPA Pride** – Created in 2018 and relaunched in 2021, this initiative seeks to raise society’s awareness of the LGBTQIA+ community. It is comprised by more than 40 professionals who link up to build a more respectful and inclusive workplace. Three gatherings took place in the year, one for

literary practices relating to the matter, the second about “how to influence the agenda” and the third consisting of the presentation of the LGBTI+ Forum with Reinaldo Bulgarelli, the executive secretary of the Forum on LGBTI+ Businesses and Rights.

- GPA for Gender Equality:** Launched in 2021, the group fosters initiatives to attract, retain and nurture talent and raise awareness of employees and society about the importance of gender equality. The group met three times in the year, addressing the following topics: literacy skills; how to be an influencer in the topic; and a meeting about the Mulher 360 Movement (MM360) with the executive manager of MM360, Margareth Goldenberg.

- GPA Madiba:** Created in 2018, this entails the attraction, retention, development, engagement, and awareness raising of our employees around racial equality following an agenda of educational and awareness-raising initiatives. In 2021, the committee was relaunched and had meetings about literacy, how to be an influencer in the topic and a meeting with Valdir Martins, a lecturer from *Universidade Zumbi dos Palmares* and coordinator of the Business Initiative for Racial Equality.

All the Groups have leaders responsible for assisting this journey, working as sponsors in the topic and leveraging their influence to drive improvements in processes related to our diversity and inclusion agenda.

Affinity groups



Group of Diversity  
Ambassadors







#### GENDER EQUALITY GROUP



*Being a part of the Gender Equality affinity group gives me a platform in a topic that involves me, as a woman, but also as a player in the pursuit of a fairer and more balanced workplace for women. The affinity group helps expand knowledge about the topic, providing us with guidance on how to move forward and fight for our rights. I love this initiative and feel so proud for participating in it and the existence of the group at GPA."*

**Yara Nunes Soares dos Santos,**  
Senior HR Analyst



*I'm very proud to participate in the Gender Equality affinity group, as I am a big fan of the topic. I know we have a long way to go in breaking paradigms to achieve the equality we desire so much, but just by participating in this initiative and seeing GPA working to change the situation makes me feel represented. Each meeting was extremely enriching in terms of content, although male attendance at the forums was minimal, but we will get there."*

**Talyta Gomes da Silva,**  
Sales Commercial Consultant

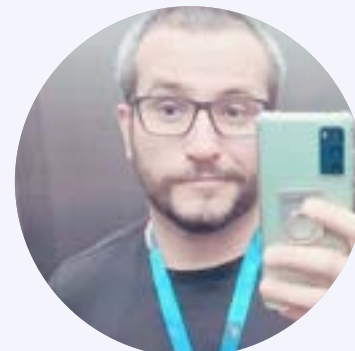


#### GPA LGBTQIA+ PRIDE GROUP



*Participating in the affinity group and GPA Pride makes me feel extremely safe at the company I work for, giving me the feeling of being at home, in a place where I can be myself. I know that lots of people still have bigoted ideas and opinions, but the fact there is a group supporting and protecting people like me means that such prejudice remains in the closet. I am proud to work with people who see and treat us like human beings."*

**Tomaz Bichler,**  
Administrative Assistant II



*I am proud to work at GPA and be a part of the LGBTQIA+ Affinity Group, which is a welcoming initiative that provides participants a platform to speak out, share stories and develop, where we can contribute to the diversity initiatives that bolster the Company's values."*

**Fagner Santos,**  
Senior HR Coordinator



#### MADIBA GROUP

*First and foremost, being a part of GPA Madiba is a dream come true. Society is experiencing a moment in which the topic needs to be discussed by commerce and companies. GPA embarked on this journey three years ago and we want to increasingly address new policies and new projects. We are currently developing a specific initiative for internships for black people. We want to get a whole range of positions involved in this at the Company, so visibility and representation matter!"*

**Felipe Bernardes Bahia de Souza,**  
Senior Expansion Consultant



*For me, being a part of Madiba is much more than personal growth; it is a shift in thinking and mindsets. A place where I can be myself and say what I think, also a way of studying and learning about my origins. Being Madiba means evolution, knowledge, strength and representation!"*

**Adriana Carvalho,**  
Benefits department employee





## DIVERSITY CENSUS

In 2021 we conducted our first ever diversity census on our employees in Brazil, an initiative that will help us advance this topic and innovate in inclusion initiatives. With 27,235 respondents - 51% of our headcount - we were able to map out residences, generation, sexual orientation, gender identity, racial profile, types of disabilities, contractual status, business unit, length of service and the number of promotions.

Conducted in partnership with the consultancy firm *Mais Diversidade*, the survey shows that we have a sizable number of women and LGBTQIA+ groups working with us. The proportion of black people in leadership positions is 37.5% of leaders, meaning there is room for improvement to get more black people into these positions, especially black women.

Lastly, 76% of respondents enjoyed the survey, a good result for our first survey on the topic, as this rate usually ranges between 60% and 85% elsewhere.

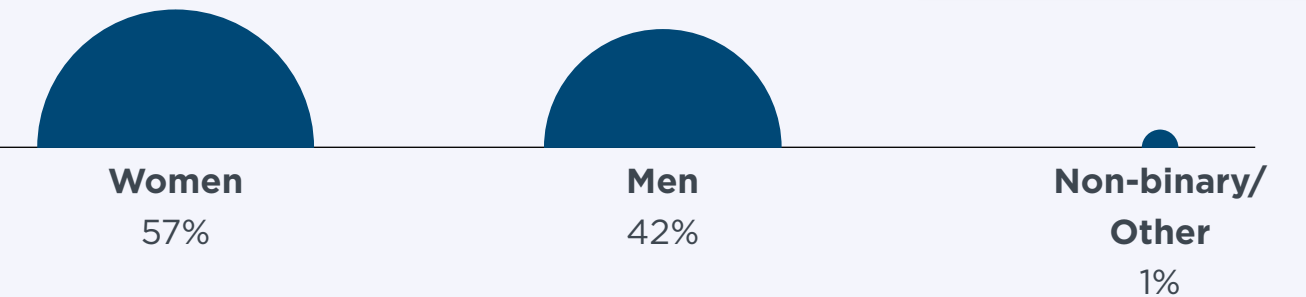
The Census is a part of our initiative to identify our people that earned us recognition in 1<sup>st</sup> place in the category Corporate Census in the 2<sup>nd</sup> edition of the Business Racial Equality Index, compiled by the Business Initiative for Racial Equality, using primary and secondary data and analyzing companies' social and demographic data.

## FINDINGS OF OUR DIVERSITY CENSUS

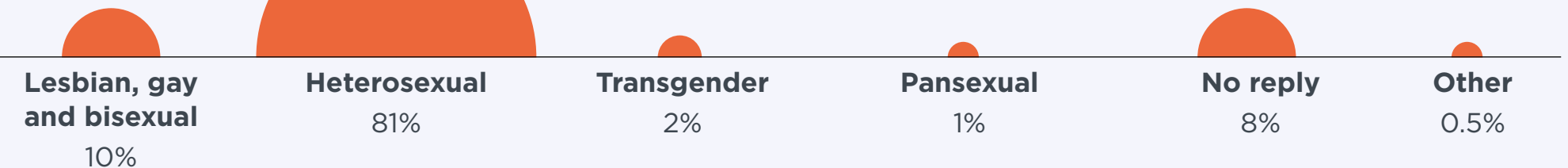
Out of the 27,235 respondents



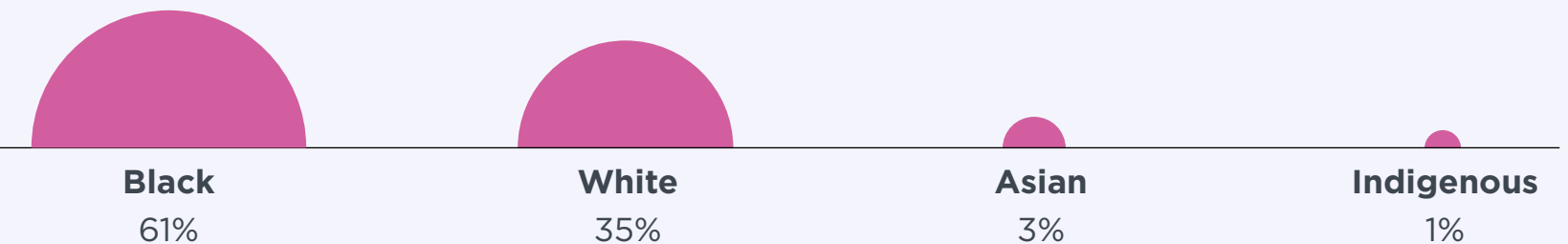
### Gender



### LGBTQIA+



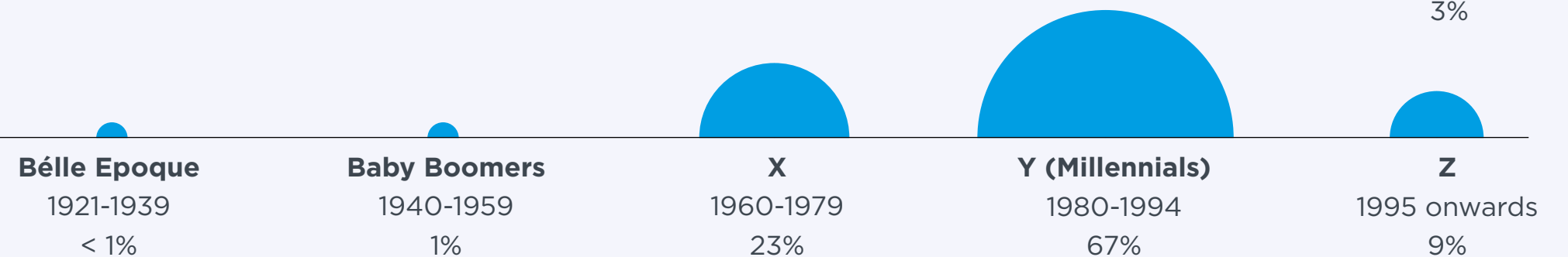
### Ethnicity/race



### People with disabilities



### Generation



\*The Diversity Census consisted of non-obligatory and anonymous questions in which more than one option could be specified. This is why a number of values did not reach 100% and others surpassed it.



## Affirmative action

We maintain a Diversity Schedule that underpins awareness and engagement initiatives around commemorative dates related to the topic (such as International Women's Day, LGBTQIA+ Pride Day, Black Awareness Day etc.), with lectures and events open to all employees.

In Brazil, these initiatives are supported by our Diversity Ambassadors, a program launched in 2020, with up to two employees per store, service station or distribution center with the challenge of positively influencing their colleagues in respect of diversity and inclusion. These self-enrolled employees undergo development and training in GPA's priority diversity pillars and other crosscutting topics. There are more than 600 people at the Company who in 2021 participated in rounds of talks to share experiences and discuss new ideas and projects.

**Diversity Channel** - In 2021 we relaunched the GPA Diversity Site, a channel we maintain in the GPA Retail University, our corporate training and development platform, in order to expand content in different formats and enhance the employee experience. In the generational pillar, we launched exclusive content for people 50+, *Long Live Longevity*, in partnership with Maturi. Another highlight was the launching of two webseries: *As Entendidas*, with a trio of drag queens talking about Diversity and Inclusion, and topics such as fat shaming, black and pink money; and the *Toxic Masculinity Deconstruction Journey*, addressing gender issues.

**5<sup>th</sup> Diversity Week** - An annual event with lives, lectures and training adapted to the online format, exploring intersectionality of our priority topics in diversity and inclusion, addressing unprecedented and crosscutting matters. We registered 6,360 accesses to transmissions, 14% more than the previous edition.

Demonstrating that diversity is for all people to think about, we presented the following lectures:

- ◉ *Respecting Religious Diversity*, with Monk Coen, a Buddhist monk, lecturer and motivational writer;
- ◉ *Diversity and Meals*, with Gabriela Kapim, a nutritionist, author and presenter of children's nutrition programs;
- ◉ *We need to talk about fat shaming*, with the consultancy firm *MindMiners* and the rapper Preta Rara, a history teacher, feminist and activist;
- ◉ *Gender equality is for men too*, with Matheus Jacob, a writer and philosopher who talks about leadership and influence;
- ◉ *People like us, respect for racial diversity*, with Toni Garrido, actor, singer, composer and multi-instrumentalist; and
- ◉ *Breaking the taboos of cerebral palsy*, with Samuel Bortolin, a para-athlete who overcame the limitations of cerebral palsy.

All of these lectures were attended by Company managers and officers, which bolsters the commitment of our leadership to our diversity and inclusion agenda.



*Participating in the Group of Diversity Ambassadors provides an unequal experience, where we learn more about the matter to then share, raise awareness and train employees in stores. This makes me ever more confident that we are on the right path. The initiative means we are spreading the culture of change and impacting lots of people: not only employees, but also their relatives and friends. Talking about Diversity is urgent! Talking about Diversity is talking about life!"*

**Pâmela Sanches,**  
Pão de Açúcar HR Specialist

## MAPPING AND RAISING SUPPLIER AWARENESS

We involved our service suppliers and providers in the activities of the 5<sup>th</sup> Diversity Week, emphasizing that awareness about the topic is extremely important throughout our value chain and continuing our training agenda for these people, that began in 2020.

We provided training with all safety service firms and are working with them to increase the number of female professionals at our units. We also enhanced contractual clauses with service providers, requiring they inform their employees about promoting human rights and not accepting cases of discrimination and racism.

In 2021, we also surveyed suppliers of national Private Labels to find out more about their diversity practices. There were 46 respondents, of whom 89% were middle and senior leadership.

Check out some of the findings:

- 54% answered that the percentage of women in the workforce is equal to or greater than 45%;
- 48% of the companies have policies and/or incentives to encourage equal opportunities for men and women
- 44% answered that the number of women in management positions or above in the companies was between 30% and 40%;
- 91% of CEOs are men;
- 48% have provided general diversity and inclusion training to their employees.

This survey also contributed to an initial diagnosis of points of opportunities that could be built with our supply chain so we can jointly evolve our practices and policies and obtain more inclusive results with greater representation.



Supplier:  
Cebolas Fugita



## OUR PRIORITY TOPICS

We have a vision of five priority diversity groups: gender equality, age diversity, respecting and promoting LGBTQIA+ rights, including and developing people with disabilities and racial equality and developing strategic actions for each of them.

### Gender equality

A focal topic for Company leaders since 2014, gender equality was addressed in multiple initiatives intended to increase the number of women in leadership positions in corporate and operating areas. Reflecting this vision, our Diversity and Sustainability Index (ISD), used in variable compensation of eligible positions, has a metric on the proportion of women in leadership positions (read more about the ISD on page 34).

We closed 2021 with a female presence in 37% of management positions and above, in line with our target of achieving 40% women by 2025.

Thanks to the success of the Female Leadership Development Program, initiated in 2019 for all the Group's female officers and managers, in 2020 we continued this program, expanding it out to middle management via self-enrollment with the expertise trail completed in 2021 with 261 women.

Also in 2021, our percentage promotion amongst women was higher than for men, comparatively: 52.4% of promoted employees were women and 47.6% men. We have also trained 61 new managers in the position (promoted or hired) who had not undergone the Leadership Development Program, and also carried out the Development Program for non-leader women, which

received more than 300 enrollments and saw 79% of participants complete the course (250 professionals).

This resulted in more than 800 women being impacted, with participants acquiring skills and expertise that will help them overcome upcoming challenges in their careers, such as expanding their critical vision and female empowerment, greater awareness and perception of unconscious biases, valuing sorority, greater ambition for planned professional growth and a greater feeling of responsibility to learn and do things differently.

Our assessment of the Program's impact found 46% of managers, 44% of middle management participants and 32% of non-leader women had been promoted.



*We are proud to work at a company that invests in our development. The Female Leadership Program expands our horizons, strengthens bonds and reinforces the idea we can achieve whatever we want."*

**Fabricia Leitão,**  
Commercial Officer



#ISOLATEDBUTNOTALONE

In 2021, we continued supporting the campaign #IsolatedButNotAlone (You Are Not Alone Program) of the Business Coalition for the End of Violence against Women and Girls, led by the Avon Institute, of which GPA is part and which began in 2020. Special banners in the Clube Extra and Pão de Açúcar Mais applications provide information in the form of questions and answers about domestic violence. Users can also start a discreet and silent real-time conversation with the virtual assistant Angela via WhatsApp, which helps women understand if they are going through domestic violence and informs the public services available in the protection network and which resources can be accessed.

Another important issue for the Company is salary inequality. To this end, every month we check for possible risks and discrepancies between the salaries paid to employees of different genders carrying out the same roles. This analysis also takes into account salary ranges, length of service and positions. In 2021, we found that men were paid 1.7% more than women on average, with this gap being reduced by five percentage points since 2020 (when the figure was 2.2%). We continue working on multiple fronts to diminish this disparity.



*I joined GPA as an intern in 2007, and the opportunity to participate in this program made me look back over the years and be proud of my history. Alongside the Program, I received the challenge to coordinate it and the topics addressed undoubtedly supported me in team situations and empowering other women"*

**Barbara Tramarim,**  
HR Coordinator



**Combating stereotypes** – We continued building the platform *#TempodasMulheres*, launched in 2019 by the Pão de Açúcar chain, which bolsters female roles and empowerment, as a part of our commitment to the UN's Unstereotype Alliance (*for further information see page 35*). Aligned around our Marketing Policy, which is consistent with inclusion and diversity, and demonstrating that "a woman's place is wherever she wants it to be", we developed two projects to confront gender stereotypes related to the profession: *Barbecuing Women*, in which five meat and barbecue specialists were spokespersons for our campaign providing tips on meat, select cuts, pairing, baking methods and recipes etc.; and *Beer Making Women*, a campaign launched on International Women's Day, on March 8.



## AWARDS

All of these initiatives led to us being bestowed with the WEPS award (Companies that Empower Women) in the category silver, in 2021, for corporations. The biannual awards organized by UN Women in Brazil, recognizes companies carrying out initiatives to empower women in Brazil, promoting gender equality and social inclusion. In the 2016 and 2019 editions we received the bronze medal, and this year improved on this performance, as a result of the progress made in gender equality initiatives.

We were also chosen to comprise the 2022 Bloomberg Gender-Equality Index (GEI), which included 418 companies from 45 countries and regions. We comprise the select list of just 13 Brazilian companies and are the only national retailer. GEI is an index that tracks the performance of listed companies committed to transparent gender practices and policies around the world, increasing the scope and depth of the environmental, social and governance (ESG) data available to investors. It gages gender equality across five pillars: female leadership and talent career path, salary equality and compensation parity between genders, inclusive culture, policies against sexual harassment and Female-Friendly brands. Companies listed in the 2022 GEI index achieved a score equal to or greater than the overall limit established by Bloomberg to reflect the disclosure, performance or adoption of the best statistics and policies in the category.



## ÉXITO ACTION ON GENDER EQUALITY

In 2021, Grupo Éxito received silver-level certification from the Equipares Program, a Colombian Ministry of Labor initiative in partnership with the United Nations Development Program (UNDP), in recognition of the commitments and initiatives we have undertaken to promote gender equality at the workplace. The certification comes on the back of efforts to ensure equal pay for equal work, and gender diversity across job roles. To avoid filtering out female candidates, some vacancies and positions are now being advertised with modified job descriptions to avoid them being filled based on gender biases. The Group continued to collaborate with the Colombian Gender Parity Initiative.

As part of our Women in Corporate Leadership program, 56 participants are following personalized development pathways to advance in their careers within the organization. Each year we mark Equality Month in March. In 2021 we raised awareness about the importance of sharing household responsibilities through a broad communication campaign about the reasons why men and women need to break away from stereotypes and work together in homemaking. In 2021 we held four conferences on the subject, and launched a Handbook for a Genderless and More Colorful World.

### Racial equality

Since 2020, we have been a party to the Movement for Racial Equality (Mover), a movement we co-founded. Formed of 45 companies, this is a collaborative business movement with an anti-racist agenda focusing on increasing the number of black leaders in the corporate world. We also maintain commitments towards the Business Coalition for Racial and

Gender Equality, Ar Movement and the Business Initiative for Racial Equality. *(Read more about them on page 35 to 38).*

This year we launched the first internship program exclusive for young black professionals, in order to include more young black people in the Company. The class began in 2022 with 27 vacancies. 52% of GPA's employees currently say they are black and hold 37.5% of the Company's leadership positions. We have made a commitment to ensure that at least 50% of our headcount is made up of black employees.

For our internal public, we also launched the Development Program for Black Men and Women, which received 130 enrollments and was carried out in partnership with *Universidade Zumbi dos Palmares*, to support these professionals and provide opportunities for inclusion, empowerment, belonging, self-awareness and self-development. We initiated online training capacities with modules of more than 80 hours of training, addressing racism and society, self-esteem and personal milestones, protagonism and careers, interpersonal relationships, financial education, corporate communications, leadership, negotiating and resolving conflicts, and other subjects.

Our work in society also strives towards racial equality and inclusion, as illustrated by the project Peripheral Entrepreneurs, which supports ventures led by black women *(see more information on GPA Institute, on page 126).*

In 2021, we also launched a new series of videos on the topic in our GPA Retail University: Anti-racist pills. Developed in partnership with *Identidades do Brasil* Institute (ID\_BR), the initiative addressed anti-racist ethics, tokenism and the different forms of racism : structural, recreational and institutional.



*The Development Program for Black Men and Women is first and foremost an achievement, as we have been discussing this in the affinity group for nearly four years. I decided to participate because I saw an opportunity to expand my knowledge and horizons within the corporate world. Participating in this program makes me feel a better person, as I learned from the experience of my colleagues, with more expertise and practical content and a professional with a lot more baggage”.*

**Maurício Ribeiro dos Santos,**  
Senior Tax Coordinator

## Age diversity

Generational diversity initiatives are also on our radar, including both young people and senior professionals, providing positions for people of all ages in order to create a workplace wealthy in experiences and expectations. One of the doorways into GPA is the Internship Program, structured in 2018 which hired 146 young talents for corporate positions. We also maintain an apprenticeship program to place young people registered or who have completed high school, with or without professional experience, to enter the labor market.

We closed 2021 with 11.33% of employees aged over 50 (5,887 people), 41.64% aged under 30 (21,634 people) and 4.17% young apprentices (1,748 people).

**Young Apprentice Program** - The initiative to join the Company offers positions at our stores, distribution centers and corporate offices to young people who, in addition to having an initial contact with the labor market, participate in the personal and professional development course, learning important skills for career growth. This program targets low-income and/or socially disadvantaged young people and trans people, in order to include minority groups in corporations like GPA.

**Internship Program** - As a result of the pandemic, the latest group of interns selected carried out all their activities online, including video selfies, business cases, group dynamics related to our values and interviews conducted by video in order to avoid exposure and gatherings and to safeguard our applicants and employees. The last two classes were composed of an average 60% women, 42% black people and 10% LGBTQIA+.

We developed a number of strategies in our selection processes to expand diversity. These include eliminating the requirement for English (previously mandatory) and using “blind resumes”, whereby managers cannot see any information about the candidates (universities they are studying at, the district they live in, age and gender) thereby avoiding unconscious biases that could influence our selection process.

At the end of 2021, we began accepting applications for our first affirmative program, exclusive to black people, in order to further the inclusion of new talents and black people into the Company. The class started in 2022, with 27 vacancies distributed amongst various sectors. In addition to the corporate internship, the class will follow a behavioral development path based on GPA skills, as well as complimentary modules focusing on racial empowerment administered by a specialist consultancy firm. Managers will also provide diversity training to guarantee effective inclusion.

As a result of this new affirmative class, the percentage of black people joining the Internship Program since 2020 has risen from 42% to 60%, i.e., growth of 18 percentage points. LGBTQIA+ representation rose from 10% to 22.4% between 2021 and 2022.



*Being an intern at GPA means growth and progress. Everyday I was there, I felt I was progressing as a professional but also as a person. I developed a more critical perspective of what innovating and impressing means, which are key issues within the company. Being an intern at GPA is being challenged to own your career, whilst always being highly valued, respected and motivated by all of those around you.”*

**Lucas Resende Lima**, former intern and employee of GPA



**GPA Labs vacations intern** – Initiative run by our innovation practice. In the first year, in 2020, we took in six interns from the university Insper, who worked on innovation projects for one month. In 2021 we expanded this out to Customer Insights, Media, CRM and Data Analytics involving six interns.

**Long Live Longevity Channel** – Launched at GPA’s Retail University, this offers content to enable employees aged over 50 to blossom professionally and personally. The channel is split into three pillars: Career & Purpose, Health & Well-being and Planning & Finances. It presents exclusive content created by the company’s partner specializing in the topic, Maturi, with over 20 videos covering the pillars so that our employees can draw support from them during this stage of their lives.

### Respecting LGBTQIA+ Rights

The rights of lesbian, gay, bisexual, transgender, queer, intersex, asexual and allies (LGBTQIA+) is embedded in the respect for diverse sexual orientation, expression and gender identity. In 2021 we showcased the topic at the 5<sup>th</sup> Diversity Week by launching the web series *As Entendidas*, which amongst other topics addressed topics related to the LGBTQIA+ community (see more on page 103); and also through initiatives of the Affinity Group GPA LGBTQIA+ Pride (see more on page 100).

These initiatives were also supported by Pão de Açúcar in a campaign that went beyond employees to include customers and society as a whole. Titled *Felicidade É Poder Ser*, it ran from June (LGBTQIA+ Pride month) until January 2022, when the National Trans Visibility Day takes place (29<sup>th</sup>). The initiatives also occurred in digital channels

and social networks, and in conjunction with partners included the donation of more than 2 metric tons of food to *Casinha*, a Rio-based NGO which has been fighting for social rights for LGBTQIA+ people since 2017.

As a result of this campaign, *Exame* magazine recognized us as being the second brand with highest engagement in LGBTQIA+ content in Facebook, despite no media investment, which demonstrates the enormous importance of the content and its connection with our business.

In June, Grupo Éxito joined the Colombian LGBT Chamber of Commerce and signed a commitment to work in support of this interest group. We also ran a campaign, called *What is love?*, in which two employees shared their experiences as a way to promote respect for people’s sexual orientations. Lastly, in October, we celebrated Diversity Month in a drive to shine a light on unconscious bias.

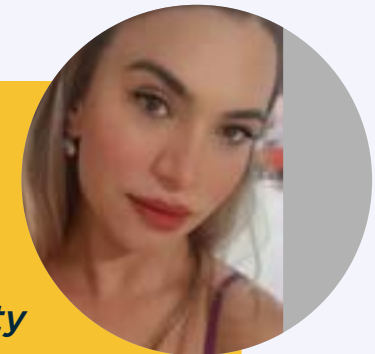


Campaign  
of Pão de Açúcar



*When I joined the company in 2013, the topic of diversity was not yet that prominent, but GPA embraced me and welcomed me with open arms for who I was. I am a transgender woman and have always been treated as such, not just by the company but also by my work colleagues. Since then, I have noticed that diversity and inclusion have been growing and feel extremely proud to be a part of this achievement. ”*

**Diana Bárbara Inácio,**  
Head of section Pão de Açúcar -  
GPA Training School



## Inclusion and Development of People with Disabilities

As a part of our joining the Compact for the Inclusion of People with Disabilities (Corporate Network of Social Inclusion), in 2016 we formally undertook five commitments:

1. Leadership commitment to respecting and promoting the rights of people with disabilities (PwDs);
2. Affirmative action;
3. Fostering inclusive and accessible workplaces;
4. Communication and education for respecting the rights of people with disabilities;
5. Embedding the issue of disabilities in the company's strategy.

Over the year we maintained multiple affirmative actions to include people with disabilities in our workforce and to further their careers. Some of these are described below:

**You + 1 talent** – Launched in 2018, this recommendation program encourages our employees to recommend people with disabilities to fill Company vacancies. After joining, these professionals are tracked in the first three months by the Attractiveness & Selection and Diversity & Inclusion teams, who also worked on raising team awareness. The Program was paused in 2020 as a result of the pandemic and resumed in the second half of 2021.

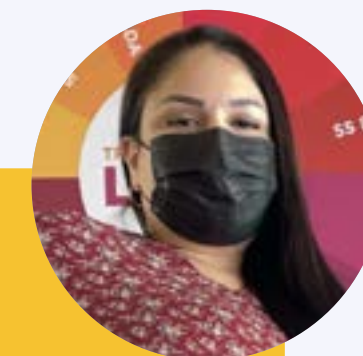
**IJC Partnership** – *Jô Clemente* Institute formerly Apae in São Paulo (Association of Parents and Friends of Children

with Special Needs) supports us with advice and the qualification and inclusion of people with disabilities. The institution is a leader in treating intellectual disabilities and the autism spectrum, and in 2021 this partnership resulted in 127 apprentices with disabilities being hired to work in our stores, distribution centers, service stations and offices. In addition to serving as a partnering institution in the theoretical training in the apprenticeship program for these young people, the IJC supports GPA through its Assisted Employment methodology, which aims to nurture social and behavioral skills and support the insertion of people with disabilities into the labor market.

**Welcoming Program For Newcomers** - Launched in 2020, the monitoring program for newcomers aims to support the effective inclusion of employees with disabilities. To do this we monitor newcomers for the first 90 days, seeking to understand expectations and the needs of this team so that they can reach their full potential and develop their career at GPA. In 2021, 143 employees participated in the follow-up (those hired through *Jô Clemente* Institute were not included in the Program as they underwent the Assisted Employment methodology).

### Technical Training Agreement in partnership with INSS

– In 2018 we initiated a regional partnership and in 2020 extended to the national level the technical cooperation agreement with the National Institute of Social Security (INSS), aiming to provide training in our stores, distribution centers and administrative areas to beneficiaries of its professional rehabilitation program. In 2021, we received 103 INSS beneficiaries who underwent professional rehabilitation, and our external vacancies are offered to rehabilitated professionals so they can rejoin the labor market.



*Over the course of my journey as a wheelchair user, I have always reinvented myself in multiple circumstances. The main challenges I face are the lack of accessibility in certain locations and ableism. My disability is my normal. Making others see the true potential of each individual, with or without limitations, is crucial to producing a more diverse and inclusive world. Today I am independent, married and happy. You have to coexist to understand, and you have to permit to include."*

**Ana Paula Ordeas,**  
Logistics Operations Manager at DCs in the Midwest



## Inclusive customer services

After running a pilot project in 2020, in 2021 we set up a specialized online scheduling channel for people with disabilities and the elderly in partnership with the start-up *Inclue*, which is engaged in innovation and human resources for the retail market. It paves the way for a type of inclusive customer service experience that respects the specific needs of each customer throughout their purchasing journey. The initiative proved even more vital when the Covid-19 pandemic revealed the social role played by supermarkets in the districts we are present in.



Compre Bem  
Employee

The project arose from the *Innovation Network* (IN) Program of GPA Labs, which aims to cement the digital culture in the Company (*learn more on page 25*). *Inclue* created a program providing guidance to Pão de Açúcar professionals, including in-person and online training and real experiences in stores as to how to serve people with visual, auditive and physical disabilities; autism; Down syndrome and the elderly.

Practices were adopted to make the consumer's time in our stores more pleasant and inclusive. These include: directly addressing the disabled person instead of their companion, adjusting the position of product labels, exploring the features of products for the visually impaired and informing them about new products and promotions, greeting people with disabilities in the parking lot and helping them carry their purchases to their car, and helping by diminishing the quantity of environmental information for people with autism.

This project was initially developed at the Pão de Açúcar stores Washington Luís, in São Paulo/SP, and Rua Maranhão, in São Caetano do Sul (SP).

## RECRUITMENT AND SELECTION

In line with the digital transformation strategy, since 2019, our selection process has been 100% online, allowing applicants to register and monitor all phases remotely. With this, we streamline processes and also guarantee broad access to available positions. Our aim is to find and retain talent that supports our growth and the achievement of our "Feeding dreams and lives" proposition.

We want to be acknowledged as an employing brand, which attracts people who identify with our culture and values. To achieve this, we created a squad (small multidisciplinary group) consisting of 15 employees who help build and implement action plans to bolster this concept. We determine the target stakeholders and strategic attraction focus for our business, aligned with our diversity pillars, entry positions and recruiting professionals from the Technology and Digital sectors. To this end, we participate in multiple initiatives in partnership with universities, institutions, events, fairs and others (*see more on the next page*).

To recruit new employees, we have a careers page ([www.gpabr.com/euescolhogpa/](http://www.gpabr.com/euescolhogpa/)), which was overhauled in October 2021 to better align around our purpose and values. We also seek to attract applicants via Vagas.com, Infojobs and LinkedIn.

We also have a Talent Bank at Gupy, a recruitment and selection start-up partnering with GPA, that helps us include minority groups, nurturing an equal opportunities environment for all. To advertise our affirmative vacancies, we publish opportunities in partner sites for specific populations, such as *Transempregos*, aiming to include transgender people in the labor market.

We use artificial intelligence tools to recruit talent, with the main tool being *Gupy*, which helps us identify candidates compatible with our culture and requirements. As it is an intuitive platform, each individual can monitor the stages of their selection process and, if approved, register their documents for joining the company in this tool.

## Internal recruiting

Our Internal Selection Process (*Prosin*) was reformulated in 2021 in order to provide greater engagement and increase the number of people interested in the Program. All positions up to coordination level must therefore be published in *Prosin* simultaneously to external publications, except for confidential vacancies. In the year, the new system helped guarantee that 28% of eligible vacancies were filled internally, including corporate and operating positions (including *Prosin* and Potential Assessments).

## Employer Branding Initiatives - focus on attracting talent

The attractiveness and selection practice is tasked with ensuring applicants and future employees have a positive experience. The new process begins with Employer Branding until the procurement experience stage. These initiatives are not only related to the procurement process itself, but the entire journey of the applicant/employee.

It is crucial for us to build bridges with people outside the company in multiple ways, in order to arouse their interest in joining our team. Our selection practice then seeks ways other than selective processes to build this employer branding in partnership with universities and non-profit organizations engaged in employability, developing initiatives such as:

- ◉ The selection team along with the team of GPA Labs, has a relationship with universities to procure and attract talent, give back to the ecosystem of universities and project development and collaboration.

- ◉ In 2021, we sponsored the 3<sup>rd</sup> Innovation Week of Poli USP (Polytechnic School of *Universidade de São Paulo*) and our managers participated in a workshop and lectures about business and technology in retail, sharing their experiences, challenges and actions in the food sector with the more than 200 students.
- ◉ The Efficient Problem Solving Program (REP) enabled students from period 6 of Insper's Management course to develop a project involving the PCDA methodology: *Plan-Do-Check-Act* or *Plan-Do-Check-Adjust*. This partnership lasted six months and in addition to delivering the project to the Marketing and promotions department, assisted students in their everyday activities, thereby intensifying our Employer Branding.
- ◉ In October we participated in the Entrepreneurism and Innovation Connection Fair, organized by *Fundação Estudar*, an organization which supports the professional and personal development of young people. The event enabled us to showcase the Company to the young people, including a lecture about female leadership in entrepreneurship and innovation projects, and included a virtual stand for speaking to the public. After the event, our HR team carried out four dynamic group activities with the young people selected at the Fair.
- ◉ To ramp up our employer branding amongst technology and innovation stakeholders, we signed a partnership with *Awari*, a digital school that helps train professionals and reinsert them in the labor market. In addition to developing the young people through the courses, it also organizes monthly meetings in which our selection and attractiveness practice can refer students to

vacancies. Internally we disclose the partnership to our employees, who can attend meetings about Data Science, UX Design, Product Management and Data Analytics.

- ◉ We participate in the Employment Fair, an annual event organized by the São Paulo Retail Union, providing vacancies as well as the prospect of compiling a talent bank for future positions in our operating teams.

Employee  
replenishing  
products in the  
vegetable section





# CULTURE AND ENGAGEMENT

## OUR CULTURE

In 2021, we updated and re-signified our proposition and our values, driven by a business strategy for a new era. They point us in the direction we want to go as an organization and we leveraged this to create new mindsets and rituals focused on the retail of the future. The new proposition, our mission and values, are crosscutting and aligned around GPA labels and banners.

## PURPOSE

Feeding dreams and lives

## MISSION

To be the best choice for our customers and make our team proud of us. We are driven by the passion of serving and winning!

## VALUES



### A passionate focus on customers:

- Customers are the reason we exist and we therefore serve them with passionate and delight every single day.
- We know and prioritize our customers in all actions and decisions.
- We respect all our customers for their diversity and endeavor to meet their requirements.
- We work with a smile on our faces to please and offer our customers the best experience every single day.



### Keeping it simple but doing it well:

- We know that our business is challenging, which is why we should pursue simplicity, agility and excellence in each delivery.
- We work simply and agilely in our daily routines without forgetting quality.
- We roll-out practical and sustainable solutions with gusto and get things done.
- We are productive and excellence permeates everything we do.



### Innovative mindset:

- We are pioneers and are continually pursuing innovation to deliver ever better experiences to our people, our customers and society.
- We do things differently, so as to do things better.
- We are never satisfied and pursue the best experiences for customers.
- We embrace the challenge of always leading the market, bringing innovative solutions for our business, society and the planet.



### Together, for results today and always:

- We are results driven and our strength lies in overcoming GPA's sustainable growth targets.
- We are familiar with business strategies and strive for sustainable and high-performance results.
- We are focused on meeting targets, inspiring collaboration between teams and departments, always with ethics and integrity.
- We celebrate our achievements and the contributions made by each person to our growth, because we are stronger together!



### Leave it to me:

- Our people show initiative, take risks, assume responsibilities and get things done. We are proactive and have an owner mindset, we don't procrastinate. Leave it to me!
- We are made of stories. We take delight in our work of fueling dreams and lives. We respect and cherish inclusion and diversity in all our areas.
- We are ambassadors for our values and are proud to be a part of GPA.

## ENGAGEMENT SURVEY

As a part of our respect and inclusion culture, listening to employees is essential to enhancing all the Company's processes and building a healthy and welcoming workplace. In 2021 we decided to listen to all people at GPA more frequently, to understand employee satisfaction and engagement and prepare plans to achieve improvements. The "Fale na Boa" engagement survey now takes place yearly instead of once every two years. In the year it was applied to all employees, being completed by 99% of them, compared with 90% for the previous survey in 2019.

Conducted in partnership with the start-up Pulses, a continuous people management platform, the survey adopted a more crosscutting and agile process, including quantitative questions and providing a field for qualitative comments. The average score for all questions was consequently 7.6 (on a scale of 1 to 10). The highest scores were in Diversity and Sustainability (8.3) followed by Engagement (7.9).

For the first time we used the e-NPS methodology (Employee Net Promoter Score), which measures the satisfaction of our employees by asking "Would I recommend GPA to my family or friends as a good place to work?". Our results show we are in a zone of perfection, with room for further improvement.

Grupo Éxito also launched a program in 2021 to measure and monitor the organizational climate at the workplace, through virtual surveys (Korn Ferry valuation methodology). In the year we recorded an engagement rate of 89%, compared with 80% in 2016.

## I choose GPA

We conducted an internal communications initiative to share career stories of our employees, who explained why they chose the Company and how they have grown at GPA. These stories are shared by video which include an audio description, and are published every 15 days in internal communication materials and on LinkedIn. This initiative bolsters the sense of belonging to the culture and inspires other employees.

## Social dialog

Every year we work in favor of social dialog, building our people-management policies based around dialog with employees and partners. In Brazil in 2021, we continued to negotiate collective bargaining agreements with 184 unions, covering 100% of our workforce. Pay rises were applied in accordance with the Company's budget. Grupo Éxito has four collective bargaining agreements that were signed in 2019 with a term extending to 2022, covering 11% of personnel. **|GRI 102-41|**

Compre Bem  
Employee





# GOOD HEALTH & WELL-BEING

|GRI 103-1, 103-2, 103-3\_403|

Our Health and Well-being Program aims to preserve the physical, mental and social health of our employees and their dependents through multiple initiatives, that involve preventive campaigns, publishing health information, partnerships and free psycho-social care for the entire workforce and family members 24-hours a day, seven days a week.

We understand that one of the expected results of the Program is making the workplace safer, fostering the health and physical integrity of employees and reducing accidents and occupational illnesses. With this aim in mind, we also rely on the work of Specialized Occupational Health and Safety Services (SESMT) professionals. **|GRI 403-3|**

In 2021 we introduced the Occupational Health and Safety Management System to implement and prepare all the legal documents necessary to comply with the *e-social* system, with the initial information already sent in October. **|GRI 403-1|**

## Zero is possible - Accident-free stores

The initiative “Zero is possible - Accident-free stores” is a part of the campaign that promotes and bolsters GPA’s operational discipline and safety culture through a set of leadership, management and operational practices. One of the campaign’s initiatives was creating the Seven Golden Rules, which were widely disclosed, implemented and inserted in daily routines, consolidating preventive practices by employees, thereby mitigating the main causes of accidents. **|GRI 403-5|**

In our dealings with service providers, in order to guarantee that outsourced activities are carried out safely (such as working at heights, and electrical systems etc.), we reassess all documents required about the matter in procurements, so that these professionals are duly qualified and skilled to carry out these tasks. **|GRI 403-7|**

Our injuries target is displayed in all store operations, leadership and operations board and is calculated as the frequency rate and severity rate, in accordance with NBR (Brazilian Standard) 14,280 issued by the ABNT (Brazilian Association of Technical Standards), thereby promoting the ongoing monitoring of these metrics in our daily operations.



## Cipativa

Our Internal Accident Prevention Committees (Cipas) are comprised solely of employees, who are elected or appointed to work in conjunction with the SESMT team in providing guidelines about preventing accidents and occupational illnesses. Cipas identify and chart the map of occupational risks, and help prevent accidents and occupational illnesses. In 2021, we maintained 553 committees, with 1,879 participating members. **|GRI 403-2, 403-4|**

The *Cipativa* campaign launched in October seeks to engage these members from each unit around actions that contribute to a safer workplace. With this mobilization, we went beyond the workplace activities, fostering practices related to mental health and well-being. We adopted a new metric of results that is assessed every four months and benefits these members with time off.

Yellow September  
Lecture at GPA’s DC



## Mental health and well-being

### [GRI 403-6]

We implemented various initiatives related to employee well-being such as:

- Lecture by the *corde!* poet and public speaker Bráulio Bessa, about the topic of cultural diversity and how art can help overcome problems and rebuild dreams. This took place in May with 556 participants.
- To mark International Mental Health day, in October 10, we organized lectures by the athlete Cesar Cielo and the physician Regina Chamon about caring for your physical and mental health to overcome challenges and manage stress respectively.
- In-person events around the topic Yellow September, of preventing suicide, addressing emotional care issues and looking after vulnerable individuals, for people in our Distribution Centers (around 600 people), as well as in-person psychological weekly therapy also provided to all employees at our corporate head office and distribution centers.
- Free psycho-social care can be requested on our 0800 number, on a 24/7 basis. An average of 6 thousand sessions are provided every month.

## Time for Yourself program

In 2021, Grupo Éxito continued its *Tiempo para Ti* (Time for Yourself) Program to help employees strike a healthy balance between their personal and professional lives, with flexitime and time for personal or family activities. The Program awarded a total of 21,291 hours in time off in the year, and in 2021 we are extending this flexitime benefit to all employees, including additional time off for moving house or achieving service milestones, and shortening working hours on Fridays for staff at our head office.

We also created a new option for flexible working hours in which employees can work from home on certain days. Most working hours took place from home in the year.

Elsewhere, 6,736 participated in activities of the Vida Sana (“Healthy Living”) program which contributed to a healthier and more balanced life in terms of health, nutrition, emotions and psychosocial care, financial, physical and other aspects. Our entire workforce had access to a free telemedicine service, and 5,120 employees and their dependents were covered by health plans and 1,018 by PAC.

We also provided:

- 3 thousand exercise benefits
- 1.6 thousand nutrition program benefits.
- 5,681 emotional support sessions—across lectures, workshops and courses.
- 3 thousand Financial Program sessions, which help employees to organize their household budgets.
- During the year we also launched a program, called *Vida Digna* (“Dignified Living”), designed to help employees improve their financial health.





# TRAINING AND DEVELOPMENT

**[GRI 103-1, 103-2, 103-3\_404, 404-2]**

The qualification and training of our employees are essential to ensure the sustainable growth of our business and to expand career and development opportunities, thereby bolstering the Company's Employer Value Proposition (EVP). In this process we tackle the challenge of providing mandatory in-person training (such as technical training) and leveraging the resources provided by digital platforms, which accounted for 97% of initiatives in the year. Before the pandemic, in-person courses accounted for 95% of the total.

One of the ways of shaping the development of our team is the Development and Performance Cycle which assesses compliance with GPA capabilities, maps performance and collects data to build Individual Development Plans (PDI).

In this system, we centralized a number of management processes, such as performance assessments, determining the targets to calculate variable compensation (for eligible positions) recording feedback and the PDI itself. This helps us direct the careers of leaders and employees, provides transparency and simplicity for recording past data and information available to take more assertive decisions and strengthen the culture of meritocracy and encouraging performance excellence.

Through this process we format courses and training that will develop our employees, with varying technical and behavioral coaching initiatives.

Training the Pão de  
Açúcar Fresh team







*The GPA Retail University is a modern tool that helps us hone core job skills. I recommend the Corporate Leadership courses that prepare us to learn about the leader's role before the team, and the Speaking Course, which gave me more confidence to express my ideas to colleagues and customers."*

**Kelisson Santos,**  
Track Leader – 2684 Posto Extra



## GPA RETAIL UNIVERSITY

Democratizing expertise amongst our employees is the core objective of the GPA Retail University, which is why we provide all Company employees an online platform that can be accessed 24/7. There are more than 5 thousand contents about a wide range of topics, which can be accessed from any computer, tablet or smartphone.

In August 2021 GPA was bestowed with the Learning Excellence Award by Brandon Hall Group, an international independent research and analysis firm for human capital management. The leading project was the University at Home, launched in the first year of the pandemic to help employees understand the new procedures for working from home and which has since become a permanent fixture thanks to its success.

In 2021, we elaborated the website by expanding content, adding self-development, soft skills and certified technical courses. We launched exclusive channels, such as Long Live Longevity and the webseries *As Entendidas* and the Journey of Deconstructing Toxic Masculinity. (for more information see the chapter Diversity, on pages 103 and 109 respectively).

In partnership with the school Impacta, the platform also offered more than 20 technical courses with certification, with the topics including: Excel, Power Point, Word, Power BI, SQL, PMI Project Management, Scrum and Project. More than 2 thousand certificates were issued in 2021 alone.



**Over 601 thousand hours of** training  
(increase of 113% on the previous year)

**52%** of training time taking place online

**Training of 59,880** employees

**Participation of nearly 98%** of employees  
in leadership positions, totaling 154  
thousand hours of development amongst  
new managers

**More than 5 thousand contents** in multiple  
topics

**More than 9 course channels** including:  
Lidera Channel about leadership, Uniflix  
with various webseries, GPA Diversity Site,  
Personal Finances and others

**More than 1 million** connections in 2021, an  
increase of 73% on the previous year.





## Leadership Development Programs

Also organized by the University, they provide support to GPA managers for tackling emerging market challenges. These courses cater to all of our corporate leaders, consisting of more than 700 employees, including 400 managers and 300 coordinators. The topics addressed included “Mobilizing Leader” for managers and “Singularity Management” for coordinators, totaling more than 70 hours of training.

## The Book Forum

Initiated in 2021, this aims to provide employees in-depth debates about topical matters that impact personal lives, society and the business world. All participants self enroll through our learning platform, receiving a kit at their homes containing their chosen book and are invited to online meetings in the form of rounds of talks, always mediated by experts and with special guests. In year one there were more than 250 participants and five different titles were analyzed, amassing more than 1,127 pages read and more than 3,250 hours dedicated to obtaining new knowledge through reading.

To crown this project’s success, two of the five editions were attended by the writer Guilherme Pinto, who wrote the book “The obvious also needs to be said”. The participants could talk directly to the author and delve into his creative process and emotions in great detail, also exchanging experiences during the reading session.

## Commercial DNA

Commercial management is essential for retail, requiring managers have a high degree of expertise and multiple skills. Given the strategic importance of this team, the playbook ‘Negotiating DNA - an online guide’ was created, which sets out GPA’s best Commercial Management practices, in order to align and transmit expertise about our unique way of negotiating and disseminating them to all sector employees. This publication is the fruit of more than 80 hours of conversations with commercial managers and officers; and the Financial, Tax and Pricing teams, which makes the playbook a strategic, exclusive and customized tool bearing GPA’s Commercial DNA.



*I am currently in charge of the Pricing department and in conjunction with my coordination team spearhead important activities regarding the Company’s pricing methodologies. For this, a well-developed leadership based on training is essential for preparing, motivating and engaging teams, producing strong teams committed to serving customers well, delivering better results and boosting the Company’s performance.”*

**Emerson Melo,**  
Pricing Manager



*Participating in an initiative like the Book Forum was extremely rewarding, which from the very onset encouraged me to learn, know myself, question and express opinions about the title ‘How I learned to think’. It was without doubt enriching, yielding incredible insights on occasion.”*

**Everton Rodrigues da Silva,**  
Technical Training Coordinator



## Operations Trail and Supply Trail

In order to engage, prepare and nurture the employees of our stores, service stations and logistics, in April we launched the Operations Development Trail, consisting of behavioral and technical content in a completely online format; and in October we launched the Supply Development Trail, also consisting of behavioral and technical content in the online and in-person formats.

By identifying opportunities for development in each business, we developed trails by level of position, with personalized modules addressing topics such as self-awareness, protagonism, problem-solving, negotiating, focusing on results, amongst others, with more than 10.8 thousand employees receiving training since its launch.



Employees  
in our stores

## First Steps Program

Since May, newcomers in all GPA stores and service stations have had access to the First Steps Program, a 100% online integration trail customized by business and exclusive to GPA's Retail University platform.

Created from a map that plots the different formats of the Company's operations like a city, making the navigation through the training a dynamic and fun experience, presenting modules with important topics for employees to immerse themselves in GPA, learning about essential topics to the company, such as our culture, diversity, benefits, career and development in addition to specificities of the business they will work in.



*I am grateful for GPA providing its employees with such vital training like the Trail. This shows that the Company's priority is its teams. The content was crucial to my professional and personal development. I recommend the Trail to everyone".*

**Nkodo Symplice Noel,**  
Department head – Minuto Pão de Açúcar



*The training offered through the platform is extremely useful and, despite resembling basic teaching, is essential as a first step and perspective of the labor market, especially for young people entering for the first time."*

**Katheelyn Nicolle Ferreira,**  
Apprentice cashier  
Pão de Açúcar





## Succession Program

Focused on developing our leadership, the program has matured over its eight years of implementation as a catalyst for career growth and a platform for countless employees. Created in 2013, the initiative received the Outstanding People Management Award from the Brazilian Association of Training and Development (ABTD) in 2021.

We consolidated the program into a 100% online and remote version, as a response to the pandemic, in a format accepted and endorsed by the participants, including professionals across all segments and labels. As a methodology and to strengthen leadership, we leveraged people and process management techniques and real-life situations experienced on a daily basis.

Thus far there have been ten editions of the Succession Program and more than 3.6 thousand participants, with 51% being women. Of this total, 70% were promoted to the next leadership rung, conducive with our expansion and internal opportunities. When a leadership position becomes vacant, the successors are top of the list, as they have already undergone the entire selection and training process. A clear example of this is that most of our store managers, operating heads and leaders come from this operational base and have been through the Program.



*The Succession Program is not just a program for succeeding something or someone. It aims to build a new version of yourself, because each success level will require you to reinvent yourself! A new version of heads, leaders and senior personnel. Take my word for it, when you are in the Program, regardless of your role, you will discover and reinvent yourself, and a new version of you is created every moment, in every class".*

**Jonathan Henrique,**  
Manager of a Minuto  
Pão de Açúcar store



## Development Day and Development Week

In order to foster the permanent development of our employees, twice monthly we provide three to six training sessions on a broad spectrum of topics related to retail and work routines. Development Day is an initiative that targets all employees. In 2021, more than 1,860 operational and corporate staff participated in the 45 development initiatives.

The topics addressed include: protagonism, creative problem-solving, quality-of-life and reducing stress, conflict management, neurolearning, decision-making, listening and empathy. We are therefore offering a comprehensive learning experience and creating a perception of value of the self-development and protagonism process, as the program is voluntary.

We also carried out another edition of the Development Week, now under the topic "Agile Learning – Maximize your adaptation and learning capacity". The event had 7,416 participations, an increase of 81% on the previous year. In the period, we promoted an interactive gaming initiative and more than 25 different training actions.



*I am extremely grateful to be working at a company which provides us such wealthy content through the GPA Retail University and Development Week. The courses and topics addressed have provided a major opportunity for learning and professional and personal growth. At the end of each participation, I feel like my vision and thoughts have grown and I have become a better person and professional, better prepared to handle day-to-day challenges and enjoy further success in my goals and relations."*

**Vivian Catarina da Silva Maia,**  
Procurements Chain Coordinator



## Adaptability

In 2021, 300 Grupo Éxito employees in leadership positions attended a training program under the theme “Evolving leadership—enhancing our adaptability”, providing insights and tools for them to engage their teams around current challenges in the market. Store managers were included in the program for the first time in the year, helping to standardize training across our operations.

In 2021, we redesigned our Organizational Learning Unit—a team dedicated to corporate training—so it is better aligned around the Group’s current needs; supports our organizational strategy, customer orientation, employee empowerment; and delivers learning experiences that improve team performance.

We also designed an approach to measuring impacts and the extent to which training is supporting employee development, based on NPS (Net Promoter Score) and performance metrics . This helps employees to make better-informed decisions and creates an optimal combination of learning experiences that our Talents department can then leverage.

In another initiative, we expanded the use of virtual platforms offering specialized content (e.g. Platzi, Coursera, Crehana, HackU, etc.), with more than 500 certified courses that are helping to enhance employees’ knowledge and performance in their roles.



GPTW

Our initiatives to cultivate a healthy, safe, diverse and welcoming workplace were recognized by *Great Places to Work* in which we were one of the 10 Best Companies to work for, in the category retail corporations. The award recognized the best rated 60 companies in the sector and GPA is the only supermarket chain amongst the ten companies with more than 10,000 employees.





# 08. SOCIAL IMPACT AND PROMOTING OPPORTUNITIES

GPA Institute  
Éxito Foundation



# GPA INSTITUTE

[GRI 103-1, 103-2, 103-3\_203\_413, 413-1, 203-1]

In this social front, GPA Institute seeks to contribute to a world with more respect and inclusion and less social inequality, accordingly offering development opportunities to people who want to grow according to their life purpose and to play a transforming role in society.

We drew the inspiration for our efforts from conversations with customers, partners and employees in order to identify and understand GPA's social vocation and how we can contribute to the communities we interact with.

GPA Institute's role is therefore to help achieve the Company's objective of being a transforming agent, enhancing and innovating its way of doing business to help build a more responsible and inclusive society.

## GPA INSTITUTE'S INITIATIVES ARE STRUCTURED ON TWO FRONTS:



### Teaching, technical training and preparation for the jobs market

We offer ways for people to develop, unleash their individual talents and follow their vocations.



### Mobilization and relationship with communities

We want to deepen the relationship between employees, customers, suppliers, organizations and GPA, acting together as agents of change.

## 2021 BY THE NUMBERS

**656**

beneficiary organizations

**More than 3.5 million**

people directly and indirectly benefited



Mãos na Massa student



## TEACHING, TECHNICAL TRAINING AND PREPARATION FOR THE JOBS MARKET

### *Mãos na Massa* (Hands On)

The project *Mãos na Massa* (Hands On) provides opportunities to local populations by offering elementary and practical courses in Baking and Confection, nurturing skills and capabilities to make basic recipes of bread, cake and desserts, encouraging inclusion in the jobs market. Postponed in 2020 because of the pandemic, the initiative was resumed in 2021 in a scaled-down format and compliant with all safety protocols.

In partnership with the Women's Refuge of *Associação Redes da Maré*, in Rio de Janeiro, the 13<sup>th</sup> and 14<sup>th</sup> classes of the 40-hour course trained 21 women, 40% of whom were trans, in a bid to further diversity and inclusion.

In addition to in-person classes, the students participated in an online lecture about professional guidelines, administered by GPA's Human Resources Department, and could also witness first-hand the learning process at one of the Group's stores.

Since its initiation in 2018, Hands On has seen 14 classes graduate in São Paulo, Rio de Janeiro, Minas Gerais and Bahia, in partnership with the institutions *Gastronomia Periférica*, *Projeto Arrastão*, *Instituto Padre Haroldo*, *Galpão ZL*, *Gambiarra*, *Fa.Vela* and *Maré de Sabores*. The project will continue in 2022.



*The course has been nothing but a blessing in my life. In addition to the expertise in confections, which I love, I got to meet many different women and we showed how strong we are when we come together. It was great to see people looking at the residents of Maré, where life is really tough. Having a group like GPA looking at us gives us hope."*

**Joice Melo, participant in the Hands On confection course.**



*Mãos na Massa* students

### THE PROJECT IN FIGURES

In 2021, there were:

**2 confection classes**, with the *Casa das Mulheres da Associação Redes da Maré*

**21 students** benefiting

**40%** of participants were transgender women

**80 hours** of course time

## Empreeendedoras Periféricas (Peripheral Entrepreneurs)

In 2021 we continued with and enlarged the Peripheral Entrepreneurs Program, which expands the technical and financial support for small businesses run by black women in disadvantaged areas of Brazil.

Launched in 2020 in partnership with Tide Setubal Foundation, the project provides technical training in communication, business structuring and finance management topics, in addition to offering individual mentorship to participants. During the four months of activities, they received financial contributions, which were used as needed: team compensation, rental payments, bill payments, investments and inputs, equipment or infrastructure and communication marketing actions.

In total, 45 entrepreneurs were selected from 14 business segments in eight states.

In 2021, we conducted a survey on participants in the first edition (2020), which revealed that for 73% of entrepreneurs, the average monthly sales of the business rose in relation to the period before participation in the project, evidencing the project's positive impact on these womens' business.



## THE PROJECT IN FIGURES

In 2021:

**45 female entrepreneurs**  
selected

**14 business**  
segments supported

Ventures in

**8 Brazilian**

states: Bahia, Ceará, Maranhão, Paraíba, Pernambuco, Distrito Federal, Rio de Janeiro and São Paulo.

**20 municipalities:**

Salvador (BA); Fortaleza (CE); Timon and São José de Ribamar (MA); Jaboatão dos Guararapes, Camaragibe, Olinda and Recife (PE); Campina Grande (PB); Ceilândia, Rio de Janeiro, São Gonçalo, Duque de Caxias and Nilópolis (RJ), Embu das Artes, Votuporanga, Santa Bárbara d'Oeste, Mauá, Praia Grande and São Paulo (SP).

From left to right: Alexandra SantAnna, of Mimos Bantu Nagô, Wemmia Anita, of RAIX, and Joseane Cavalcante, of Urban Drinks



EMPREENDEADORAS  
PERIFÉRICAS



*During four months I had the opportunity to work with histories, with incredible women and projects – both those of other women that were included in the procurement with me, and the mentors. We leave every meeting increasingly motivated, thanks to all the possibilities that this expertise has provided so that we can make our businesses grow and expand.”*

**Mônica Costa**, of G&P Finances for Black Women in São Paulo, one of 19 chosen from the second class



## Prosperar (Prosperity)

This Program provides study grants (including educational materials, housing allowances, transportation allowances and meal allowances) to low-income young people with high performance potential. In 2021, 47 young people benefited from the program, 45 under the partnership with Fundação Getúlio Vargas (FGV), in the Business Management and Public Administration courses, and two under the partnership with Escola Superior de Propaganda e Marketing (ESPM), in the Social Sciences and Consumption courses initiated in 2021. Due to the pandemic situation, classes and activities were preferably conducted remotely in the period.

The Prosperity Program has benefited 75 students since its initiation in 2014. The 2021 group consisted of 50% women and 50% black people.



Prosperity Students  
at a virtual meeting

## THE PROJECT IN FIGURES

In 2021:

**16 new**  
students selected by FGV

**9 women**

**5 black people**

**37 graduates**  
since the program began (13 in 2021)

**30 students**  
subsidized in the FGV preparatory course



*The allowance I received from Prosperity for food, transportation and housing meant I could study without the costs of graduation hanging over me. Were it not for these allowances, I suppose I would have really struggled to support myself during my studies."*

**Kauanne Patrocínio,**  
Student graduating in Public  
Administration at FGV





## MOBILIZATION AND RELATIONSHIP WITH COMMUNITIES

### Solidarity Agenda |GRI 203-1|

One of GPA Institute's guidelines is to deepen the relationship between employees, customers, suppliers and social organizations to jointly work as transformation agents. To achieve this, we promote multiple fundraising initiatives in stores to benefit partnering social institutions.

Food products amounting to 5,289 thousand metric tons were donated in 2021 in collection campaigns, to around 350 partnering social institutions.

### Desafio do Bem (Challenge for Good)

In continuation of initiatives combating the Covid-19 pandemic, in 2021 we set up Challenge for Good, a collection campaign for nonperishable food products, personal care and cleaning items, which took place at all of our stores. In the first month alone, April, we received more than 1 million kilos of nonperishable food products donated by customers and employees. The year-to-date volume donated has surpassed 5 million kilos, benefiting 159 partnering social organizations across Brazil.

GPA Institute has also donated food products to partnering social institutions including UNEafro (*União de Núcleos de Educação Popular para Negras, Negros e Classe Trabalhadora*), CUFA (*Central Única das Favelas*), Amigos do Bem, Voz das Comunidades, Redes da Maré, Crioula, Gerando Falcões and Associação dos Moradores de Paraisópolis, amongst others.



GPA employees made their presence felt in the Christmas Solidarity campaign



## Seasonal initiatives

We also continued our seasonal initiatives, alongside Challenge for Good, a number in partnership with the Private Label Qualitá. They are:

**Páscoa Solidária (Caring at Easter)** – Between April 23 and 27, 2021, the chocolate collection campaign took place in stores of the chains Compre Bem, Extra and Pão de Açúcar. For each Qualitá chocolate sold, the label donated one unit to the benefited organizations. A total of 24.9 metric tons was collected in the stores and 2.9 metric tons donated by Qualitá, which were sent to 122 partnering organizations of GPA Institute.

**Clothing Campaign** - Between June and July, Extra stores in São Paulo carried out a campaign in an unprecedented partnership with *Gerando Falcões* to collect clothing, footwear and accessories, which were sold by the organizations in thrift stores with the proceeds going to projects delivering education, economic development and social services in *favelas* around the country. A total of 96,828 items were collected, including adult and children's clothing and accessories.

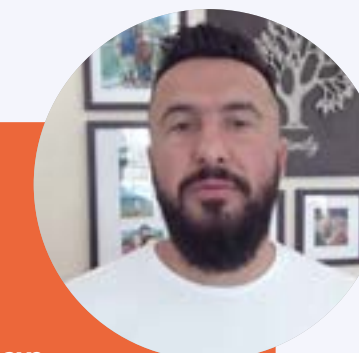
**Children's Solidarity Day** – Between October 07 and 09, the campaign run at Extra stores around Brazil collected new toys for different age ranges. A total of 4,270 toys were collected, for 43 partnering organizations of GPA Institute.

**Qualitá World Food Day** – On October 16, we carried out a special food donation campaign. For every five kilos of the label's white rice and beans, Qualitá donated one kilo to three social organizations partnering GPA Institute. This

initiative was valid for purchases made in all stores of Pão de Açúcar, Minuto Pão de Açúcar, Extra Hiper, Mercado Extra and Mini Extra, in addition to *our e-commerce channels*. In total the label donated 14 metric tons of food products, including nine metric tons of rice and five metric tons of beans.

**Natal Solidário (Christmas Solidarity)** – The last seasonal campaign of the year took place between December 4 and 11, collecting nonperishable food and personal care and cleaning items. The initiative benefited from the attendance of volunteers in all GPA stores, assisting more than 170 partnering organizations of GPA Institute. Through this initiative, we collected 246.8 metric tons of food produce.

In-store areas for customers  
to donate food products



*The importance of this Christmas Solidarity campaign of GPA Institute helped us give a more dignified Christmas to these people, to spread the message of love. By way of this assistance, we were able to help other people. Every year we make a Christmas hamper for the homeless. Families received a heartier hamper at the end of the year, in addition to other churches that we support and help. I have nothing but thanks for GPA's help."*

**Mauro Mendes,**

A Casa - Comunidade Cristã, social organization benefited by Christmas Solidarity in 2021.

# ÉXITO FOUNDATION

Grupo Éxito's programs in support of communities are run by the Éxito Foundation, an organization created in 1982 with a mission to improve children's well-being—today and in the future. The Foundation supports programs in collaboration with the government and family-oriented organizations; provides monthly donations of well-balanced grocery packages containing all four food groups; and supports health care, education and family development. It also develops initiatives into broader plans, public policies, programs and projects to improve children's nutritional status and build organizations' capabilities to set up and lead early childhood initiatives.

Our overarching goal is to end chronic malnutrition by 2030.

## 2021 BY THE NUMBERS

**70,376 children**  
benefited

Donation of  
**217,342 grocery kits**  
in 2021.



## ZERO MALNUTRITION

Foundation activities are primarily centered on disseminating best practices to charities and other organizations, and donating funds—in the form of nutrition vouchers—for people to purchase food products. The Éxito Foundation is also the leading champion of breast-feeding in Colombia, and has led multiple initiatives to ensure that children do not experience malnutrition at birth or growing up.

The Foundation works on four fronts:

- Generating and disseminating knowledge
- Raising funds and building alliances
- Communicating and raising awareness
- Influencing public policy

Foundation initiatives were amplified during the pandemic, with the Nutrition program extending its coverage to all states nationwide in response to the rise in unemployment, which created food insecurity for a significant portion of the population.

In 2021, 70,376 children were benefited by Foundation-led nutrition and food supplementation programs.



Children assisted by  
Éxito Foundation





# 09. APPENDICES

Goals

Performance Indicators - GPA  
Brazil and Grupo Éxito

SASB - Topics and metrics

TCFD - Central elements

Assurance letter

GRI Content Summary, Global  
Compact Principles and SDGs

Awards 2021

Credits



GOALS

| Strategic pillars                 | Material topics   | Targets  | Date achieved | Results in 2021        |
|-----------------------------------|---|--|---------------|------------------------|
| Environmental impact management   | Tackling climate change   | Reduction in Scope 1 and 2 emissions by 38% (2015 baseline)  | 2030          | -5.1% compared to 2020 |
|                                   |   | 94% of store energy consumption with an energy matrix from the free market   | 2024          | 88%                    |
|                                   | Combating food waste  | Participation of all supermarkets in the Partnership Against Waste Program   | 2023          | 86%                    |
|                                   |   | 20% reduction in GHG emissions from waste generation (2015 baseline)   | 2025          | -7.5% compared to 2020 |
| Value of our people               | Good labor environment with development opportunities   | 40% of women in leadership positions (management and above)  | 2025          | 37%                    |
|                                   |   | 50% black employees  | 2021          | 52%                    |
|                                   | Diversity, inclusion and combating discrimination   | 100% of discrimination allegations addressed and finalized   | Every year    | 100%                   |
|                                   |   | 100% of service providers trained in Diversity   | Every year    | 100%                   |
| Transformation in the value chain | Developing sustainable practices in the supply chain, ensuring respect for the environment and animal welfare | 100% of our Private Label eggs sold are produced by cage-free chickens   | 2025          | 40.2%                  |
|                                   |   | 100% of our eggs sold at Mercado Extra, Pão de Açúcar and Compre Bem are produced by cage-free chickens                          | 2028          | 30.2%                  |
|                                   |   | 100% of the pork sold in our Pão de Açúcar, Mercado Extra and Compre Bem stores comes from suppliers that respect animal welfare | 2028          | In progress            |
|                                   |   | 100% of Pão de Açúcar beef suppliers publicly committed to our Animal Welfare Policy   | 2025          | In progress            |
|                                   |   | 100% of Private Label broiler chicken sales are compliant with global animal welfare trends                                      | 2028          | In progress            |
|                                   |   | All palm oil with source identified in Private Label products  | Every year    | 99.7%                  |
|                                   |   | All palm oil of international origin certified in Private Label products   | Every year    | 86%                    |
|                                   |   | Promoting Human Rights and compliance with labor regulations in the supply chain   | Every year    | 92%                    |
|                                   | Promoting Human Rights and compliance with labor regulations in the supply chain                              | 100% of textile factories audited by ABVTEX  | Every year    | 100%                   |
|                                   |   | 100% of Private Label suppliers audited in the ICS methodology   | 2022          | 69.3%                  |
| Engagement with society           | Community engagement  | Collection of 5,000 metric tons of food in Solidarity Agenda   | 2021          | 5,122 t                |
|                                   |   | 30 women benefited by the Peripheral Entrepreneurs Program   | 2021          | 45                     |



# PERFORMANCE INDICATORS - GPA BRAZIL AND GRUPO ÉXITO

These indicators follow the Casino Methodology.

Previous years have been updated, to exclude the results for Assaí.

|  | Audited<br>Indicator | UNIT           | GPA 2018  | GPA 2019  | GPA 2020  | GPA 2021  | ÉXITO 2018 | ÉXITO 2019 | ÉXITO 2020 | ÉXITO 2021 |
|--|----------------------|----------------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|
| Sales area of owned units                              | X                    | m <sup>2</sup> | 1,170,377 | 1,140,665 | 1,071,007 | 1,114,979 | 839,552    | 853,464    | 834,751    | 823,941    |
| <b>OUR PEOPLE   GRI 102-8, 405-1 </b>                  |                      |                |           |           |           |           |            |            |            |            |
| Total headcount at 12/31/N                             | X                    | Number         | 65,859    | 66,222    | 55,931    | 50,968    | 37,206     | 36,237     | 34,374     | 33,496     |
| % headcount in full time                               | X                    | %              | 87.5      | 84.7      | 87.0      | 87.8      | 80.2       | 79.6       | 78.9       | 79.1       |
| Headcount of women at 12/31/N                          | X                    | %              | 52.8      | 53.1      | 53.1      | 53.1      | 49.5       | 49.6       | 49.6       | 50.1       |
| Male headcount at 12/31/N                              | X                    | %              | 47.2      | 46.9      | 46.9      | 46.9      | 50.5       | 50.4       | 50.4       | 49.9       |
| Headcount aged < 30 at 12/31/N                         | o                    | %              | 41.6      | 41.5      | 39.2      | 39.2      | 42.1       | 41.4       | 39.6       | 37.5       |
| Headcount aged 30 to 50 at 12/31/N                     | o                    | %              | 48.6      | 48.9      | 50.9      | 50.2      | 49.1       | 49.4       | 51.1       | 52.1       |
| Headcount aged > 50 at 12/31/N                         | o                    | %              | 9.8       | 9.6       | 10.0      | 10.5      | 8.8        | 9.2        | 9.4        | 10.4       |
| % headcount by race/ethnicity - Black                  | X                    | %              | 43        | 47        | 49        | 52        | -          | -          | -          | -          |
| % headcount by race/ethnicity - White                  | X                    | %              | 24        | 27        | 28        | 30        | -          | -          | -          | -          |
| % headcount by race/ethnicity - Other                  | X                    | %              | 33        | 27        | 23        | 18        | -          | -          | -          | -          |
| Headcount in management positions and above at 12/31/N | X                    | Number         | 1,307     | 1,261     | 1,204     | 1,222     | 707        | 699        | 642        | 706        |
| Of whom are Black                                      | X                    | %              | 37        | 39        | 36        | 38        | -          | -          | -          | -          |
| Of whom are women                                      | X                    | %              | 35        | 36        | 36        | 37        | 32         | 32         | 32         | 37         |
| Of whom are black women                                | X                    | %              | 14        | 13        | 14        | 15        | -          | -          | -          | -          |
| Headcount in executive board at 12/31/N                | o                    | Number         | 58        | 63        | 56        | 52        | 33         | 29         | 26         | 32         |
| Of whom are Black                                      | o                    | %              | 5         | 2         | 5         | 8         |            | -          | -          | -          |
| Of whom are women                                      | o                    | %              | 19        | 19        | 18        | 15        | 27         | 31         | 31         | 25         |
| Total employees with disabilities at 12/31/N           | X                    | Number         | 1,775     | 2,149     | 2,193     | 1,925     | 409        | 399        | 409        | 365        |
| Number of apprentices at 12/31/N                       | X                    | Number         | 2,648     | 2,622     | 1,457     | 1,746     | 2,111      | 1,916      | 1,901      | 1,598      |
| Turnover   | o                    | %              | 33        | 28        | 31        | 35        | 22         | 21         | 12         | 18         |
| Voluntary turnover                                     | o                    | %              | 11        | 12        | 10        | 12        | 12         | 12         | 4          | 12         |

|   | Audited<br>Indicator | UNIT   | GPA 2018  | GPA 2019   | GPA 2020  | GPA 2021   | ÉXITO 2018 | ÉXITO 2019 | ÉXITO 2020 | ÉXITO 2021 |
|---|----------------------|--------|-----------|------------|-----------|------------|------------|------------|------------|------------|
| <b>OCCUPATIONAL HEALTH AND SAFETY [GRI 403-9]</b>   |                      |        |           |            |           |            |            |            |            |            |
| Number of work-related injuries with a leave of more than 1 day   | X                    | Number | 976       | 818        | 351       | 613        | 2,034      | 1,552      | 1,289      | 1,355      |
| Number of work-related injuries involving fatalities  | o                    | Number | 0         | 0          | 1         | 0          | 0          | 0          | 0          | 0          |
| Number of days of leave due to work-related injuries  | X                    | Days   | 50,021    | 60,133     | 39,695    | 13,654     | 15,716     | 12,901     | 11,102     | 14,685     |
| Total number of hours absent due to work-related injuries, ordinary illness and occupational diseases     | X                    | Hours  | 7,548,439 | 5,545,091  | 5,456,740 | 5,622,274  | 1,231,786  | 1,009,943  | 84,564     | 86,009     |
| Frequency rate of accidents with leave of at least 1 day - over the total hours worked (%)                | X                    | %      | 6.00      | 4.59       | 2.30      | 4.47       | 20.04      | 15.44      | 13.37      | 14.89      |
| % absenteeism rate due to work-related injuries or illness  | X                    | %      | -         | 3.19       | 3.45      | 3.94       | 1.20       | 0.99       | 0.09       | 0.09       |
| Total recordable incident rate (TRIR)   | o                    | %      | 0.40      | 0.42       | 0.46      | 0.51       | 0.69       | 0.70       | 0.73       | 0.77       |
| <b>TRAINING [GRI 404-1]</b>   |                      |        |           |            |           |            |            |            |            |            |
| Total number of hours of employee training  | X                    | Hours  | 576,604   | 1,049,747  | 287,808   | 601,161    | 2,157,669  | 2,086,901  | 1,557,689  | 1,547,127  |
| Number of hours of training per employee  | X                    | Hours  | 8.6       | 16.1       | 4.8       | 11.1       | 57.7       | 56.7       | 44.2       | 46.7       |
| Total amount invested by Company in training  | o                    | BRL    | 9,073,139 | 10,480,248 | 9,232,108 | 10,569,521 | 5,806,493  | 6,705,644  | 4,845,100  | 4,609,961  |
| Average amount spent on training per full-time employee   | o                    | BRL    | 157       | 187        | 190       | 213        | 166        | 197        | 150        | 147        |
| <b>OUR PRODUCTS</b>   |                      |        |           |            |           |            |            |            |            |            |
| Total number of Private Label products  | X                    | Number | 3,081     | 15,772     | 15,069    | 9,167      | 3,255      | 188,755    | 188,263    | 2,932      |
| Number of Organic Products - (Private Label and Other Brands)   | X                    | Number | 1,510     | 1,629      | 1,746     | 1,549      | 194        | 269        | 418        | 326        |
| % of sales revenue from cage-free eggs in relation to total Private Label eggs                            | X                    | %      | 20.1      | 25.0       | 31.2      | 40.2       | -          | -          | -          | -          |
| % of sales revenue from cage-free eggs in relation to total other label eggs                              | o                    | %      | 27.4      | 30.5       | 26.6      | 23.8       | -          | -          | -          | -          |
| % of sales revenue from cage-free eggs in relation to total Private Label and other eggs                  | o                    | %      | 24.5      | 37.4       | 28.5      | 30.2       | -          | -          | -          | -          |
| Number of alternative products to animal protein and dairy  | x                    | Number |           |            | 20        | 153        | -          | -          | 496        | 91         |
| Social audits on supplier factories located in risky countries <sup>2</sup>                               | X                    | Number | 182       | 173        | 271       | 323        | -          | 101        | 232        | 346        |
| Social audits on supplier factories located in risky countries, conducted by Casino Global Sourcing (CGS) | o                    | Number | -         | 89         | 80        | 41         | 0          | 0          | 3          | 2          |

<sup>2</sup> National and international audits conducted



|   | Audited<br>Indicator | UNIT        | GPA 2018  | GPA 2019  | GPA 2020  | GPA 2021  | ÉXITO 2018 | ÉXITO 2019 | ÉXITO 2020 | ÉXITO 2021 |
|---|----------------------|-------------|-----------|-----------|-----------|-----------|------------|------------|------------|------------|
| <b>ENVIRONMENTAL IMPACT MANAGEMENT</b>  |                      |             |           |           |           |           |            |            |            |            |
| <b>Energy sources</b>   |                      |             |           |           |           |           |            |            |            |            |
| Total energy consumed   | X                    | MWh         | 878,436   | 783,157   | 746,011   | 725,172   | 425,282    | 396,664    | 359,415    | 356,405    |
| Energy consumption/m2 - stores  | X                    | KWh/m²      | 777.2     | 770.7     | 776.0     | 771.9     | 507        | 465        | 433        | 433        |
| Consumption of energy from other renewable sources  | X                    | MWh         | 544,669   | 515,592   | 521,010   | 558,545   | 3,993      | 458        | 229        | 3,199      |
| Proportion of other renewable sources   | X                    | %           | 62        | 66        | 70        | 77        | 0.94       | 0.12       | 0.06       | 0.90       |
| Natural gas consumption   | o                    | MWh PCI     | 28,058    | 21,856    | 21,160    | 19,432    | 70,738     | 27,691     | 21,492     | 21,549     |
| Consumption of Liquefied Petroleum Gas (LPG)  | o                    | MWh PCI     | 29,799    | 40,231    | 28,737    | 31,091    | 189        | 1,530      | 590        | 628        |
| Diesel oil consumption  | X                    | Liters (L)  | 1,404,691 | 2,029,162 | 1,158,185 | 1,184,055 | 342,345    | 459,349    | 355,899    | 370,694    |
| <b>Refrigerant fluids - cold storage</b>  |                      |             |           |           |           |           |            |            |            |            |
| R404A   | X                    | kg          | 8,526     | 15,830    | 15,494    | 16,546    | 12,875     | 11,574     | 8,720      | 5,803      |
| R134A   | X                    | kg          | 260       | 532       | 1,410     | 2,011     | 2,057      | 2,185      | 1,455      | 1,628      |
| R22   | X                    | kg          | 119,774   | 166,235   | 192,818   | 172,995   | 86,513     | 90,317     | 69,694     | 50,407     |
| R410A   | x                    | kg          | -         | 11        | 360       | 76        | 1,511      | 200        | 559        | 343        |
| R449A   | x                    | kg          | -         | 5,220     | 6,492     | 6,893     | -          | -          | -          | -          |
| Other fluids  | x                    | kg          | 1,717     | 3,117     | 4,916     | 5,578     | 5,738      | 5,480      | 5,667      | 4,861      |
| <b>Refrigerant fluids - Air conditioning</b>  |                      |             |           |           |           |           |            |            |            |            |
| R404A   | x                    | kg          | 182       | 87        | 207       | 33        | 66         | 164        | 11         | 22         |
| R134A   | x                    | kg          | 1,227     | 315       | 1,052     | 2,361     | 547        | 136        | 532        | -          |
| R22   | x                    | kg          | 11,269    | 6,904     | 11,268    | 10,009    | 3,045      | 1,208      | 1,243      | 789        |
| R410A   | x                    | kg          | 2,724     | 918       | 2,678     | 3,378     | 1,152      | 1,086      | 966        | 992        |
| Other fluids  | x                    | kg          | 367       | 268       | 1,389     | 2,159     | 45         | -          | -          | -          |
| <b>WASTE GENERATED  GRI 306-3 </b>  |                      |             |           |           |           |           |            |            |            |            |
| Cardboard (recycling)   | X                    | metric tons | 28,512    | 19,237    | 24,039    | 23,458    | 15,817     | 15,933     | 15,743     | 15,123     |
| Plastic (recycling)   | X                    | metric tons | 3,129     | 1,546     | 2,009     | 2,636     | 1,120      | 1,156      | 1,147      | 1,114      |
| Scrap and Metals (recycling)  | X                    | metric tons | 1         | -         | -         | -         | 1,391      | 1,778      | 1,319      | 1,562      |
| Organic waste (composting)  | X                    | metric tons | 2,862     | 1,889     | 2,328     | 2,495     | 13,147     | 12,440     | 11,180     | 9,779      |
| Others for Recycling  | X                    | metric tons | 308       | 296       | 1,219     | 1,358     | 2,445      | 1,961      | 1,892      | 2,295      |
| Tailings (landfill)   | X                    | metric tons | 117,739   | 67,865    | 78,061    | 79,209    | 26,307     | 33,424     | 27,417     | 24,495     |
| Number of stores that donated food at least once a year<br>(Partnership against food waste) | x                    | Number      | 247       | 412       | 417       | 413       | 432        | 441        | 497        | 502        |
| Food donated (Partnership against food waste)   | X                    | metric tons | 2,074     | 2,901     | 3,050     | 3,860     | 1,946      | 1,952      | 1,719      | 1,395      |
| % of recycled and/or composted waste  | X                    | %           | 23        | 25        | 27        | 27        | 56         | 50         | 53         | 55         |

|  | Audited<br>Indicator | UNIT                           | GPA 2018  | GPA 2019  | GPA 2020  | GPA 2021   | ÉXITO 2018 | ÉXITO 2019 | ÉXITO 2020 | ÉXITO 2021 |
|--|----------------------|--------------------------------|-----------|-----------|-----------|------------|------------|------------|------------|------------|
| <b>HAZARDOUS WASTE IN OPERATIONS</b>   |                      |                                |           |           |           |            |            |            |            |            |
| Total hazardous waste generated  | o                    | metric tons                    | -         | -         | 2.10      | 0.54       | 71         | 68         | 48         | 46         |
| <b>CUSTOMER WASTE</b>  |                      |                                |           |           |           |            |            |            |            |            |
| Customer waste (collected in voluntary delivery points in stores)                              | o                    | metric tons                    | 5,615     | 5,862     | 3,536     | 2,912      | 25         | 46         | 177        | 603        |
| <b>WATER</b>   |                      |                                |           |           |           |            |            |            |            |            |
| Total potable water in the system  | X                    | m <sup>3</sup>                 | 1,740,884 | 1,504,926 | 1,021,235 | 1,180,965  | 1,893,592  | 2,213,963  | 2,037,173  | 1,802,039  |
| Water withdrawal per m <sup>3</sup> /m <sup>2</sup> store                                      | o                    | m <sup>3</sup> /m <sup>2</sup> | 2.2       | 2.3       | 2.0       | 2.0        | 2.3        | 2.6        | 2.5        | 2.2        |
| <b>GREENHOUSE GAS EMISSIONS (GHG)<sup>3</sup></b>  |                      |                                |           |           |           |            |            |            |            |            |
| Carbon emissions - Scope 1   | x                    | tonne Co <sup>2</sup>          | 286,363   | 481,244   | 501,294   | 420,744    | 236,981    | 246,287    | 191,450    | 161,097    |
| Carbon emissions - Scope 2   | x                    | tonne Co <sup>2</sup>          | 64,212    | 65,148    | 51,350    | 103,656    | 43,859     | 69,281     | 76,448     | 48,701     |
| Carbon emissions - Scope 3   | x                    | tonne Co <sup>2</sup>          | 135,325   | 128,648   | 102,142   | 87,217     | -          | 7,503      | 3,491      | 24,807     |
| <sup>3</sup> The 2020 data was updated by the audit  |                      |                                |           |           |           |            |            |            |            |            |
| <b>COMMUNITY ENGAGEMENT  GRI 413-1 </b>  |                      | UNIT                           | GPA       | GPA       | GPA       | GPA        | ÉXITO      | ÉXITO      | ÉXITO      | ÉXITO      |
| Beneficiaries of the actions of the GPA Institute and the Éxito Foundation                     | x                    | Number                         | -         | 4,631     | 2,341     | 656        | 63,487     | 64,602     | 129,920    | 70,376     |
| Funds donated to social institutions   | o                    | BRL                            | -         |           | 12,160,38 | 20,528,197 | -          | -          | -          | -          |
| Tax-deducted funds for social, cultural and sporting projects                                  | o                    | BRL                            | 1,971,556 | 1,200,000 | 7,199,000 | 0          | -          | -          | -          | -          |
| Sponsorship  | o                    | BRL                            | -         | -         | 50,000    | 0          | -          | -          | -          | -          |
| <b>TRADE ASSOCIATIONS</b>  |                      |                                |           |           |           |            |            |            |            |            |
| Contributions to trade associations  | o                    | BRL                            | -         | -         | 1,200,407 | 1,259,579  | 200,512    | 221,414    | 222,700    | 278,234    |
| Largest contribution to trade association in Brazil: Brazilian Supermarket Association (Abras) | o                    | BRL                            | -         |           | - 23,600  | 23,600     | -          | -          | -          | -          |
| <b>RECEIVABLE</b>  |                      |                                |           |           |           |            |            |            |            |            |
| NPS (Net Promoter Score)   | o                    | Number                         | -         | -         | -         | 46.6       | -          | -          | -          | 52.0       |



# SASB - TOPICS AND METRICS

## Sustainability Accounting Standards Board

|  | UNIT               | GPA 2019  | GPA 2020  | GPA 2021   |
|--|--------------------|-----------|-----------|------------|
| <b>FB-FR-110b.1 - Scope 1 CO<sub>2</sub> emissions from refrigerants</b>   |                    |           |           |            |
| Scope 1 emissions from refrigerants  | tCO <sub>2</sub> e | 450,644   | 483,651   | 403,268    |
| <b>FB-FR-110b.2 - Percentage of refrigerants consumed with zero ozone-depleting potential</b>  |                    |           |           |            |
| Total refrigerants consumed  | weight             | 231,434   | 294,357   | 246,776    |
| Total refrigerants consumed with zero ozone-depleting potential (no HCFC)  | weight             | 28,637    | 71,940    | 75,554     |
| % refrigerants consumed with zero ozone-depleting potential (no HCFC)  | %                  | 12.4      | 24.4      | 30.6       |
| <b>FB-FR-130a.1 - Energy consumed <sup>1</sup></b>   |                    |           |           |            |
| Total energy consumption   | GJ                 | 2,819,366 | 2,685,639 | 2,610,620  |
| Total grid electricity consumed  | GJ                 | 963,233   | 810,003   | 599,859    |
| Total energy from renewable sources  | GJ                 | 1,856,132 | 1,875,636 | 2,010,761  |
| Percentage grid electricity  | %                  | 34        | 30        | 23         |
| Percentage renewable consumed  | %                  | 66        | 70        | 77         |
| <b>FB-FR-150a.1 - Amount of food waste generated and reused</b>  |                    |           |           |            |
| % food waste reused  | %                  | 10.9%     | 13.9%     | 16.1%      |
| <b>FB-FR-230a.2. - Data breaches</b>   |                    |           |           |            |
| Total confirmed data breaches  | no.                | 0         | 0         | 0          |
| Total confirmed data breaches involving customers or business partners   | no.                | 0         | 0         | 0          |
| Percentage confirmed data breaches involving customers or business partners  | %                  | 0         | 0         | 0          |
| Number of customers affected by data breaches  | no.                | 0         | 0         | 0          |
| <b>FB-FR-230a.2. - Data security</b>   |                    |           |           |            |
| Description of approach to identify and address the data security risks  |                    |           |           | Page 47    |
| <b>FB-FR-250a.2 - Recalls</b>  |                    |           |           |            |
| Number of recalls - Private Labels   | no.                | 0         | 0         | 0          |
| Number of units recalled - Private Labels  | no.                | 0         | 0         | 0          |
| Percentage of units recalled that are Private Label products   | %                  | 0         | 0         | 0          |
| <b>FB-FR-260a.2. - Product Health &amp; Nutrition</b>  |                    |           |           |            |
| Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers |                    |           |           | Page 72-76 |

<sup>1</sup> Energy conversion factor: each 1 MWh is 3.6 GJ

|  | UNIT           | GPA 2019   | GPA 2020 | GPA 2021                      |
|--|----------------|------------|----------|-------------------------------|
| <b>FB-FR-310a.2. - Collective bargaining agreements</b>  |                |            |          |                               |
| Percentage of active workforce covered under collective bargaining agreements  |                |            |          | Page 114                      |
| <b>FB-FR-310a.3 - Labor Practices</b>  |                |            |          |                               |
| Number of work stoppages - strikes or other stoppages  | no.            | 0          | 0        | 0                             |
| Total days idle  | no.            | 0          | 0        | 0                             |
| <b>FB-FR-310a.4 - Labor law</b>  |                |            |          |                               |
| Total amount of monetary losses as a result of legal proceedings associated with: (1) labor law violations and (2) employment discrimination |                | -          | -        | Item 4.3<br>Reference<br>Form |
| <b>FB-FR-430a.2 - Environmental Management</b>   |                |            |          |                               |
| % of sales revenue from cage-free eggs in relation to total Private Label eggs   | %              | -          | -        | Page 53                       |
| % of sales revenue from cage-free eggs in relation to total Private Label and other eggs   | %              | -          | -        | Page 53                       |
| <b>FB-FR-430a.3 - Environmental and social risks within the supply chain</b>   |                |            |          |                               |
| Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare                            |                | -          | -        | Page 49                       |
| <b>FB-FR-430a.4 - Environmental and social risks within the supply chain</b>   |                |            |          |                               |
| Discussion of strategies to reduce the environmental impact of packaging   |                | -          | -        | Page 90                       |
| <b>FB-FR-000.A - Number of stores</b>  |                |            |          |                               |
| Total GPA stores   | no.            | 910        | 873      | 809                           |
| Total GPA Distribution Centers   | no.            | 19         | 19       | 15                            |
| <b>FB-FR-000.B - Retail space</b>  |                |            |          |                               |
| Total area of retail space   | m <sup>2</sup> | 1,250      | 1,194    | 1,005                         |
| Distribution Centers   | m <sup>2</sup> | 568,094    | 568,094  | 549,625                       |
| <b>FB-FR-000.C - Number of vehicles in corporate fleet</b>   |                |            |          |                               |
| Number of vehicles in corporate fleet  | no.            | -          | -        | 103                           |
| <b>FB-FR-000.D - Air travel</b>  |                |            |          |                               |
| Total miles - air travel <sup>4</sup>  | miles          | 19,964,671 | 937,136  | 809,400                       |

<sup>4</sup> Conversion factor: each 1 km is 0.62 miles



# TCFD - CENTRAL ELEMENTS

Task Force on Climate-Related Financial Disclosures

| TCFD Recommendations  | Response  |
|---|---|
| <b>Governance</b>   |   |
| <b>Disclose the organization’s governance around climate-related risks and opportunities</b>    |   |
| a) Describe the Board’s oversight of climate-related risks and opportunities                    | <p>Our Sustainability Strategy comprises priority topics for planning and strategically developing our business. These topics are periodically assessed and discussed with stakeholders during the Group’s materiality review (last conducted in 2020). For each material topic, an operating strategy and public commitments were established, validated and tracked by the Sustainability and Diversity Committee and the Board of Directors.</p> <p>Through five operating pillars connected to the CSR Program, the Casino Group’s corporate social responsibility program, which assesses, tracks and presents guidelines for mitigating socio-environmental risks, we direct and leverage the creation of positive value for our stakeholders. The risks, owners and action plans evaluated in the CSR Program are presented to our Sustainability &amp; Diversity Committee and Audit Committee, and are approved by the Board of Directors annually. The Sustainability &amp; Diversity Committee and Audit Committee jointly discuss and monitor how climate and socio-environmental risks could impact the Company’s strategy and whether the proposed actions are sufficient for their goals. Together they monitor, evaluate and inform the Board of Directors.</p> |
| b) Describe management’s role in assessing and managing climate-related risks and opportunities | <p>Climate Action is one of the priority pillars for GPA, mapped out as one of the material topics and identified as one of the business’s five socio-environmental risks. At pre-scheduled quarterly meetings, the Sustainability &amp; Diversity Committee questions, provokes, recommends and informs strategies and positions and long-, medium- and short-term commitments. Having approved the sustainability strategy, the Committee is responsible for monitoring progress of impacts through targets and actions assumed. In 2020 the Committee was responsible for approving the Long-term action plan to reduce greenhouse gas emissions presented by the Sustainability Board, and in 2021 the Company’s emissions reduction target was indexed to variable compensation for eligible executives.</p> <p>For further information about our Sustainability Strategy, see page 31 of the Sustainability Report.</p> <p>CDP items C1.1b, C1.2 and C1.2a</p>  |

TCFD  
Recommendations

Response

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning where such information is material.

a. Describe the climate-related risks and opportunities the organization has identified over the short, medium, and long term.

The risks and opportunities comprise part of the Company’s strategic and financial planning, which follows Casino Group protocols, whose practices adopted comply with international standards and include the ongoing enhancement of internal controls, and impact mitigation and prevention actions.

The risks and opportunities mapped out informed the revision of the Company’s Environmental Management policy in 2020, and help to determine targets and commitments.”

The retail business model ultimately plays a major role in more short- and mid-term strategies. The short-term horizon adopted by the Company is up to 1 (one) year, while the mid-term horizon ranges from 1 (one) to 2 (two) years and the long-term horizon 2 (two) to 10 (ten) years.

See below examples of risks and opportunities and the measures taken to mitigate the risks and exploit the opportunities.

b) Describe the impact of climate-related risks and opportunities on the organization’s businesses, strategy, and financial planning

**|GRI 201-2|**

**Regulatory Transition  
Risk**

A significant part of GPA’s stores use R-22 gas for refrigeration, which poses a risk to the Company, as the Brazilian HCFC Eradication Program requires the consumption of these gases be eliminated by 2040. To mitigate this risk, we started replacing artificial refrigerants, such as HCFCs and CFCs (R22 and R404) with natural fluid gases, such as propane (R290) and CO2, with low or no carbon emissions. These replacements also include the exchange of equipment and retrofits in engine rooms, cold rooms and self islands. Although a possible tax or fee on carbon emissions in Brazil is still in its early days, the matter is being discussed by regulatory authorities. GPA is accordingly monitoring the regulatory sector in order to understand the political framework that will emerge for this matter. Moreover, the Maintenance and Sustainability departments have been striving - including by procuring outside support - to prepare a emissions reduction strategy, especially focusing on refrigerants, logistics and waste emissions, and a study to implement an internal carbon price at GPA, considering its use when taking decisions to evaluate/approve projects.

**Physical Risk  
Droughts and water shortages**

In recent years Brazil has experienced lengthier and more frequent droughts and water shortages, which multiple studies have associated with the warmer temperatures caused by human activity. These events could impact GPA in two ways:

- Higher energy costs, as Brazil’s energy matrix primarily consists of hydroelectric power plants and changing the matrix to other more pollutant sources brings additional costs. In the last 20 years prices have risen by approximately 50% above inflation, which has a material impact on our operations.
- On the supply of products, especially agricultural produce, which are hit hard by droughts. In 2022 GPA will carry out a study to assess the financial impact of this risk and to structure mitigation and adaptation measures.

In order to mitigate the resulting risks, in 2021 we mapped our water use in our operations, identifying areas with higher water stress and establishing contingency and adaptation plans for the event of water shortages.



| TCFD<br>Recommendations  | Response   |
|--|--|
| c) Describe the resilience of the organization’s strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario. | <p><b>Flooding and shortages</b></p> <p>Temperature rises caused by human activity have also led to an increase in storms. With a substantial volume of rainfall in a short period of time, cities have suffered from flooding, affecting logistics of the products sold by GPA, most of which are carried by highway. An inability to ship products directly impacts sales to consumers. In 2022 the company will conduct a climate-risk study which will analyze the impact of flooding, water shortages and other factors, in order to structure mitigation and adaptation measures.</p> <p><b>Opportunities</b></p> <p><b>Renewable energy</b></p> <p>The Brazilian energy matrix is primarily made up of renewable sources. However, companies bound to the Captive Energy Market cannot guarantee that all their energy consumption comes from clean sources, as the matrix also relies on a number of nonrenewable sources. GPA therefore envisages a win-win opportunity by migrating its stores to the Free Energy Market: firstly, because it will be able to announce and demonstrate that its energy consumption comes from green sources; secondly, the Company becomes less dependent on the Brazilian matrix in relation to hydroelectric powerplants, which frequently lead to a substantial rise in energy prices. The Company has set the target of acquiring 94% of energy from renewable sources through the Free Market by 2024.</p> <p>CDP item C2.3, C2.3a, C2.4, C2.4a, C3.1, C3.2, C3.2a, C3.3 and C3.4</p> |

TCFD  
Recommendations

Response

Risk Management

Disclose how the organization identifies, assesses, and manages climate-related risks

|   |  |
|---|--|
| a) Describe the organization's processes for identifying and assessing climate-related risks  | <p>GPA's risk management framework and guidelines follow international practices and standards, operating seamlessly and embracing all processes in the pursuit of operational continuity, creating value for the entire chain and disseminating our risk management culture amongst employees.</p> <p>The process of identifying risks and exposures that could undermine the company's strategy includes annual interviews with all executives. The risk matrix consists of high-, medium- and low-criticality risks and comprises the <i>Casino Risk Solution</i> (CRS) matrix, a leading reference for compiling the Risk Program. By way of the CSR Program we also assess, track and introduce guidelines to mitigate the socio-environmental risks identified and tracked annually by the Sustainability &amp; Diversity Committee and Audit Committee.</p>   |
| b) Describe the organization's processes for managing climate-related risks   | <p>Risk assessment is based on the result of the impact (risk severity level) versus occurrence (probability). For impact, we use an analysis of financial criteria (financial loss) and reputational criteria (geographical reach), rating them from 1 to 5 (where 1 means low and 5 catastrophic). For occurrence, we take into account the probability of occurrence (1- exceptional, once every 10 years to 5 - frequent - at least once a quarter). Cross-referencing these ratings generates a matrix which classifies risk as low, medium and high. An action plan is put together for all risks, which is reviewed annually and determines owners, indicators and time frames.</p> <p>Risk Management is responsible for the periodical management with all departments involved and reporting to the Board of Directors and Audit Committee.</p>  |
| c) Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organization's overall risk management | <p>Since 2018 we have incorporated a specific risk matrix for specification topics, comprising five priority topics, selected from 40 socio-environmental risks, which are directly related to our materiality. For each of them, we identify the main associated aspects, its mitigation strategy and the executive responsible for it. Risks are assessed annually by the Executive Board's Committee, Sustainability &amp; Diversity Committee and Audit Committee, forwarded for approval by the Board of Directors.</p> <p>With the support of an external consultancy firm, we also monitor 14 priority chains to map risks associated with their activities based on the company's four priority risks: Workplace conditions, Combating Deforestation, Animal Welfare and Biodiversity Based on this study we direct actions and guidelines, analyzing the situation of each of these chains, working alongside our internal teams and suppliers to raise awareness and build a more responsible operation ensuring that the products sold in our stores are made in a way that respects the environment and human rights. We act proactively in the most critical product categories, and even more intensely in our Private Labels, defining a medium-term preventive strategy and action plans, when necessary.</p> <p>In 2022, we will review climate opportunities and risks against future climate scenarios.</p> <p>For further information about our Sustainability Management, see page 45 of the Sustainability Report.<br/>CDP items C2.1, C2.1a, C2.2 and C2.2a</p> |



TCFD  
Recommendations

Response

Metrics and Targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material

|  |  |
|--|--|
| a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process | <p>GPA has been preparing its greenhouse gas inventory in line with the GHG Protocol methodology since 2012. The inventory is audited by an Inmetro-accredited company, yielding the Company Gold Status in the Public Emissions Registry of the Brazilian GHG Protocol Program - we are the only food retailer in Brazil that publishes an independently audited GHG inventory.</p> <p>Progress in performing the commitments and targets undertaken by the Company is periodically reported in our Annual Sustainability Report, as well as multiple specific questionnaires, such as DJSI, ISE, CDP and ICO2. In 2021 we were rated A- by CDP Climate, making us the retailer with the highest score in Latin America.</p> <p>In 2021, scope 1 emissions amounted to 420,744, scope 2 103,656 and scope 3 87,217 metric tons of CO<sub>2</sub>.</p> |
| b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions and the related risks   | <p>Within its strategy of tackling climate change, GPA has two public commitments to reduce GHG emissions: to reduce scope 1 and 2 absolute emissions by 38% by 2030, compared with the 2015 baseline (and 30% by 2025).</p> <p>In addition, the Company has set the target of acquiring 94% of energy from renewable sources through the Free Market by 2024. The emissions targets are used to determine the variable compensation of teams and executives in order to guarantee GPA's involvement in and commitment to embedding the climate change topic into the Company's strategic planning.</p>  |
| c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets                       | <p>In order to join the Science Based Targets (SBTi) initiative, in 2022 we intend to expand scope 3 coverage with the support of independent consultants, to begin mapping out and reporting the emissions triggered by the sale of our products.</p> <p>For further information about our emissions control and reductions, see page 81 of the Sustainability Report. CDP items C4.1, C4.1a, C4.1b, C4.2, C4.2a, C4.2b, C6.1, C6.3 and C6.5</p>  |

# ASSURANCE LETTER

[GRI 102-56]



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### Limited assurance report issued by independent auditors

To the Board of Directors and Shareholders of  
**GPA**  
São Paulo - SP

#### Introduction

We were engaged by Companhia Brasileira de Distribuição ("GPA" or "Company") to apply limited assurance procedures on the sustainability information disclosed in GPA'S Annual & Sustainability Report 2021 ("Report"), in the accompanying information to this report related to the period ended December 31, 2021.

#### Responsibilities of GPA's Management

The Management of GPA is responsible for adequately preparing and presenting the sustainability information in the Annual & Sustainability Report 2021 in accordance with the Casino Group methodology, as well as the internal controls determined as necessary to ensure this information is free from maternal misstatement, resulting from fraud or error.

#### Independent auditors' responsibility

Our responsibility is to express a conclusion about the information in the Report based on a limited assurance engagement conducted in accordance with Technical Communication (TC) 07/2012, which was prepared based on NBC TO 3000 (Assurance Engagements Other Than Audits and Reviews), both issued by the Brazilian Federal Accounting Council - CFC equivalent to international standard ISAE 3000, issued by the International Federation of Accountants and applicable to Non-Financial Historical Information. These standards require compliance with ethical requirements, including independence ones, and the engagement is also conducted to provide limited assurance that the information disclosed in the Report, taken as a whole, is free from material misstatement.

KPMG Assurance Services Ltda. ("KPMG") applies Brazilian and international standards on quality control, and consequently maintains a comprehensive quality control system including documented policies and procedures related to compliance with ethical and professional standards, in addition to the legal and regulatory applicable requirements. We comply with the comprehensive code of ethics including detailed independence requirements, established based on the ethical principles of integrity, objectivity, competence and professional care, confidentiality and professional behavior.

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A limited assurance engagement conducted in accordance with NBC TO 3000 (ISAE 3000) consists mainly of questions and interviews with the Management of GPA and other professionals of the Company involved in the preparation of the information disclosed in the Report and use of analytical procedures to obtain evidence that enables us to reach a limited assurance conclusion about the sustainability information taken as a whole. A limited assurance engagement also requires additional procedures when the independent auditor acknowledges issues which may lead them to believe that the information disclosed in the Report taken as a whole could present material misstatement.

The selected procedures were based on our understanding of the issues related to the compilation, materiality and presentation of the information disclosed in the Report, on other engagement circumstances and also on our considerations regarding areas and processes associated with material sustainability information disclosed where relevant misstatement could exist. The procedures consisted of:

- a. engagement planning: considering the material aspects for GPA's activities, the relevance of the information disclosed, the amount of quantitative and qualitative information and the operational systems and internal controls that served as a basis for preparation of the information in the GPA's Report. This analysis defined the indicators to be checked in details;
- b. understanding and analysis of disclosed information related to material aspects management;
- c. verification of the following indicators:
  - Own retail space;
  - Total headcounts at 12/31/N
  - Headcount of women/male at 12/31/N
  - Headcount in full time at 12/31/N
  - % headcounts in full time
  - Headcount in part-time at 12/31/N
  - Headcount of women/male in executive board at 12/31/N
  - Of whom are Black
  - Of whom are black women
  - % headcount by race/ethnicity
  - Total employees with disabilities at 12/31/N
  - % PCD in relation to the total number of subscribers;
  - Number of apprentices ar 12/31/N

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- Salary GAP Men and Women
- Total number of hours of employee training
- Number of hours of training per employee
- Number of employees who underwent training on Compliance
- Number of employees who underwent training on Diversity
- Number of work-related injuries with a leave of more than 1 day
- Number of days of leave due to work-related injuries
- Total number of hours absent due to work-related injuries, ordinary illness and occupational diseases
- Frequency rate of accidents with leave of at least 1 day – over the total hours worked (%)
- % absenteeism rate due to work-related injuries or illness
- Total number of private-label products
- Number of Organic Products - (Private-Label and Other Brands)
- Number of alternatives to animal protein and dairy
- % of sales revenue from cage-free eggs in relation to total private-label eggs
- % of sales revenue from cage-free eggs in relation to total other label eggs
- Social audits on supplier factories located in risky countries
- Social audits on supplier factories located in risky countries, conducted by Casino Global Sourcing (CGS)
- Percentage of certified palm oil used of private-label products
- Percentage of suppliers adhering to the Beef Purchase Policy (homologation, traceability and geomonitoring);
- Number of blocked beef farms;
- Total energy consumed

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- Energy consumption/m² – stores
  - Consumption of energy from other renewable sources
  - Diesel oil consumption
  - All refrigerant fluids for air conditioning and refrigeration equipment;
  - Carbon emissions - Scope 1, 2 and 3
  - Cardboard (recycling)
  - Plastic (recycling)
  - Scrap and Metals (recycling)
  - Organic waste (composting)
  - Non-hazardous waste in operations
  - Used cooking oil for Recycling
  - Others for Recycling
  - Tailings (landfill)
  - Total hazardous waste generated
  - % of recycled and/or composted waste
  - Total potable water in the system
  - Water withdrawal per m²/m²\_store
  - Sustainability and Diversity Index (ISD)
  - Food donated (Partnership against food waste)
  - Number of direct beneficiaries
  - Volume (kg) of food donations
- understanding of the calculation methodology and procedures for the compilation of indicators through interviews with management responsible for data preparation;
  - application of analytical procedures regarding data and interviews for qualitative information and their correlation with indicators disclosed in the Report;

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4



- analysis of evidence supporting the disclosed information;
- d. analysis of whether the performance indicators omission and justification are reasonable to be accepted associated to aspects and topics defined as material in the materiality analysis of the Company.

We believe that the information, evidence and results we have obtained are sufficient and appropriate to provide a basis for our limited assurance conclusion.

**Scope and limitations**

The procedures applied to a limited assurance engagement are substantially less extensive than those applied to a reasonable assurance engagement. Therefore, we cannot provide reasonable assurance that we are aware of all the issues that would have been identified in a reasonable assurance engagement, which aims to issue an opinion. If we had conducted a reasonable assurance engagement, we may have identified other issues and possible misstatements within the information presented in the Report.

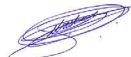
Nonfinancial data is subject to more inherent limitations than financial data, due to the nature and diversity of the methods used to determine, calculate or estimate these data. Qualitative interpretation of the data's materiality, relevance and accuracy are subject to individual assumptions and judgments. Additionally, we have not examined data related to prior periods, to evaluate the adequacy of policies, practices and sustainability performance, nor future projections.

**Conclusion**

Based on the procedures performed, described in this report, we have not identified any relevant information that leads us to believe that the information in GPA's Annual & Sustainability Report 2021 is not fairly stated in all material aspects in accordance with the Casino Group methodology and with the records and files that served as the basis for its preparation.

São Paulo, April 14<sup>th</sup>, 2022

KPMG Assurance Services Ltda.  
CRC 2SP-023228/O-4



Original report in Portuguese signed by  
Sebastian Yoshizato Soares  
Accountant CRC 1SP257710/O-4

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# AWARDS 2021

## Reclame Aqui Award - Taeq

Our Private Label Taeq received the 2021 *Reclame Aqui* Award in the category “most evolving brand”, which represents the greatest improvement in reputation indicators amongst those nominated. This award is determined by popular vote and recognizes companies that most respect consumers, valuing customer service and providing a positive experience.

## Companies that Respect Consumers Most Award

We prevailed in the Companies that Respect Consumers Most Award organized by Padrão Group, in the category Supermarkets and Hypermarkets in 2021. The awards are based on the perceptions of consumers in relation to the brands with which they maintained contact in the months prior to the study, thereby determining the organizations that presented the best scores in the categories for their customers.

## Club des Sommeliers Awards - Catad’Or World Wine Awards

Our Club des Sommeliers wines were once again victorious at the Catad’Or World Wine Awards, the most important international wine contest in Latin America, that takes place in Chile. The 2021 edition evaluated more than 900 wine samples from around the world, through blind testing by 50 specialists from 14 countries, with our Club des Sommeliers label receiving three gold medals for the wines Cabernet Sauvignon Selection (Argentina), Chardonnay Roble (Argentina) and Pinot Grigio IGT (Italy).

## Outstanding People Management Award 2021 - ABTD

We prevailed at the 2021 Outstanding People Management Award organized the Brazilian Association of Training and Development (ABTD) for the case Succession Program, administered by the GPA Retail University. Every year the initiative trains employees from all leadership levels of our Retail operations, Distribution Centers and GPA Cards for leadership positions, focusing on the specific technical and behavioral skills needed for subsequent positions, providing career, succession and professional growth opportunities. The awards acknowledge companies performing best in people management in the year, making the difference in the T&D market

## Carbon Disclosure Project

In 2021 we scored A- in the Carbon Disclosure Project. The CDP is a financial sector initiative to mitigate the effect of climate change around the world and is considered one of the leading measurement and disclosure initiatives for the efficient management of risks posed by carbon emissions and climate change. Our score has been improving in recent years and for the first time we have scored A - in the category climate, the second highest possible score in the assessment scale.

## iBest 2021 Award – Pão de Açúcar and Pão de Açúcar Mais

We won the iBest 2021 Award with two of our banners: Pão de Açúcar Mais, in the category loyalty programs by popular vote, and Pão de Açúcar, in the category supermarkets, elected by the Academy’s jury. Pão de Açúcar also came in the Top 3 by popular vote in the category Best supermarket. The award recognizes the best initiatives in Brazil’s digital universe, and this year’s edition boasted a record 18 million certified votes.

## 2<sup>nd</sup> Finance & Law Summit and Awards (FILASA)

We prevailed at the 2<sup>nd</sup> edition of the Finance & Law Summit and Awards (FILASA), in the category “Internal Legal Department: Consumer and retail goods”. The award is organized by the Leaders League, a multinational specialized in sector analyses, market intelligence reports and rankings. This edition of the survey received more than 4,000 votes and GPA was recognized as one of the best companies in Brazil in the legal area.

## Best Agribusiness Companies 2021 – Globo Rural

We prevailed in the Best Agribusiness Companies 2021, awarded by the magazine Globo Rural and Editora Globo, in the category Wholesale and Retail. The awards rely on data collected by Serasa Experian for FY 2020.

## Selection for the 17<sup>th</sup> ISE Portfolio

For the second consecutive year we were listed in the B3 ISE (Corporate Sustainability Index), that contains 34 companies excelling in environmental, social and corporate governance matters. We are the only food retailer that appears in the index. The ISE provides a tool for benchmarking the corporate sustainability performance of companies listed on B3 (Brazilian Stock Exchange), based on economic efficiency, environmental equilibrium, social justice and corporate governance.

## Estadão Marcas Mais – Pão de Açúcar and Extra

Our brands Extra and Pão de Açúcar were the champions in the seventh edition of the *Estadão Marcas Mais* survey, conducted by the newspaper *Estadão* in partnership with *TroianoBranding*. Extra was ranked first in the region of São Paulo and Pão de Açúcar third. The study embraced 31 categories evaluated nationwide and in the state of São Paulo, identifying the products and services with which consumers demonstrate the greatest involvement.

## Business Racial Equality Index

We earned first place in the category Corporate Census, in the 2<sup>nd</sup> edition of the Business Racial Equality Index compiled by the Business Initiative for Racial Equality. The category highlights initiatives implemented at companies to analyze sociodemographic data focusing on diversity.





### RA 1000 – Qualitá

Our Private Label Qualitá received the RA1000 certification from *Reclame Aqui*, which acknowledges companies with excellent customer service indexes in the organization's site, reinforcing concern for the customer throughout their shopping journey.

### The Merco Brazil Corporate Reputation Ranking

We were acknowledged as one of the 100 companies with the best reputation in Brazil by the Corporate Reputation Monitor (Merco). We are ranked 26<sup>th</sup>, rising seven places on last year, and are the third-ranked retail company. We were ranked 15<sup>th</sup> in the ranking of the 100 companies with the best corporate governance and responsibility in Brazil, also compiled by Merco, rising 16 places on last year, and are the second-ranked retail company. In 2020 it also evaluated the conduct of companies during the pandemic and we were ranked 6<sup>th</sup> amongst the 30 most responsible companies in this period. Every year Merco evaluates reputation and corporate governance and responsibility of Brazilian companies, based on the evaluations of corporate executives, specialists, consumers, social network users and merit assessments.

### CONAREC Award

We won the CONAREC 2021 Award in the category e-commerce retail, for our sites *paodeacucar.com* and *clubeextra.com.br*. Organized by Padrão Group, the awards acknowledge engagement with customers in an increasingly digital marketplace.

### ABMAPRO 2021 Award

We prevailed in two categories of the Awards delivered by the Brazilian Association of Own Brands and Outsourcing (ABMAPRO). Our Private Label Qualitá was recognized as the Private Label with the highest market share and the label's cashew nuts launched under co-branding with the NGO Amigos do Bem was the Product with the Highest Market Share in the Category in 2021.

### 25 Best Workplaces in Brazil in 2021 - Indeed

We are ranked amongst the 25 Best Workplaces in Brazil in 2021, according to the survey carried out by Indeed, the global jobs site. The ranking was based on evaluations and comments received in the companies' pages on the portal and evaluated the overall experience of employees between May 2019 and May 2021.

### Top 100 Open Corps Ranking

We were recognized amongst the 50 corporations most fostering open-source innovation, and were Top 2 in the category retail and distribution in the 100 Open Corps 2021 Ranking. The awards testify to the fact that innovation is one of the pillars and core values of our digital transformation strategy.

### Learning Excellence Award by Brandon Hall Group

We were bestowed with the Learning Excellence Award by Brandon Hall Group, an independent research and analysis firm for human capital management. The international award acknowledges the organizations that went the extra mile to support their employees

during the COVID-19 Pandemic. The University at Home case, carried out by the GPA Retail University in conjunction with CrossKnowledge, a digital education solutions consultancy firm, received the silver medal in the category Best Unique or Innovative Learning and Development Program.

### Era of Dialog Award – Top 10

Pão de Açúcar ranked in the Top 10 of the “Era of Dialog” awards, organized by Padrão Group. The award acknowledges the companies performing best in conflict resolution and which excelled in the pursuit of harmonious relations with customers. The methodology evaluated the decrease in litigation in relations between companies and consumers in 2020, with our premium supermarket chain excelling amongst the 20 companies from different sectors, ranking amongst the 10 top brands with the highest resolution rate by way of dialog with customers in digital service models.

### Accolade in the Survey “The new reality of consumer habits”

Extra Hiper and Mini Extra took the plaudits in the category supermarket in the survey “The new reality of consumer habits”. Published by the newspaper *Folha de S. Paulo* and compiled by *Datafolha* for the second consecutive year, the study interviewed more than 800 people living in the São Paulo capital in June. And our Private Label Qualitá was among the labels discovered by customers in the period, demonstrating consumer acceptance of products that boast both quality and value for money.

**Ebit Nielsen 2021 Award** - Special recognition in the category Food & Beverages

We received special recognition in the category Food & Beverages in the 18<sup>th</sup> edition of the Ebit Nielsen 2021 Awards. This recognition acknowledges the e-commerce operations of Pão de Açúcar.com and Clube Extra.com.br and was chosen by popular vote.

### WEPS Award – Companies that Empower Women

We received the WEPS award - Companies that Empower Women in the category silver for corporations. The biannual awards organized by UN Women in Brazil, recognizes companies carrying out initiatives to empower women in Brazil, promoting gender equality and social inclusion. In the 2016 and 2019 editions we received the bronze medal, and this year improved on this performance, as a result of the progress made in gender equality initiatives.

### Best of São Paulo 2021

We won the Best of São Paulo Award in two categories: Pão de Açúcar.com was voted the best online supermarket for the third consecutive year; and Mini Extra the best minimarket, for the fourth consecutive time. Organized by *Datafolha*, the awards acknowledge the best services in the opinion of people in São Paulo city.



# CREDITS

|GRI 102-53|

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Investor Relations Board  
Sustainability & Communications Board

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**Compre Bem:** 0800 027 1010

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**Pão de Açúcar Mais:** 0800 773 26 24

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**Delivery**

**Clube Extra:** 0800 779 6761

**Pão de Açúcar:** 3055 6767

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**Chat**

**Pão de Açúcar E-commerce:**

<https://www.paodeacucar.com/fale-conosco>

**Pão de Açúcar and Minuto Pão de Açúcar  
physical stores:**

<https://www.paodeacucar.com/fale-conosco>

**Pão de Açúcar Mais:**

<https://www.paodeacucar.com/fale-conosco>

(Monday to Saturday, 8 am to 9 pm

and Sunday, 8 am to 4 pm)

**SITES AND SOCIAL NETWORKS**

**Casino**

**Site:** [www.groupe-casino.fr/en/](http://www.groupe-casino.fr/en/)

**Facebook:** /brasilcasino

**Instagram:** @casinobrasil\_oficial

**Cheftime**

**Facebook:** /cheftime

**Youtube:** cheftimebr

**Instagram:** @cheftime

**Club des Sommeliers**

**Facebook:** /clubdessommeliers

**Instagram:** @clubdessommeliers

**Compre Bem**

**Site:** [www.comprebem.com.br](http://www.comprebem.com.br)

**Facebook:** /comprebemoficial

**Instagram:** @comprebemoficial

**Twitter:** @comprebem

**Extra**

**Site:** [www.clubeextra.com.br](http://www.clubeextra.com.br)

**Facebook:** /familiaextra

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**Facebook:** /mercadoextrasupermercados

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**Pão de Açúcar Adega**

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**Instagram:** @paodeacucaradega

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**Facebook:** /CasaPraticaQualita

**Youtube:** QualitaOficial

**Instagram:** @qualita\_oficial

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**Facebook:** /taeqoficial

**Instagram:** @taeq