We work with delight every day to improve the nutritional status of 63,487 children in 123 municipalities of 27 departments of Colombia, with the support of 116 partner institutions. For those children, the benefits will bear fruits for their entire life.

The focus and priority of our actions are the children of Colombia suffering from chronic malnutrition or stunting, and particularly those living their first 1,000 days of life, from pregnancy to their second birthday.
TOTAL RESOURCES INVESTED IN CHILD NUTRITION

USD 6,082,006*

In-kind: USD 532,964 / Cash: USD 5,549,042

Necessary labor cost for social investment management ... USD 229,248

TOTAL REVENUE

USD 9,326,256*

In-kind revenue USD 532,964

Cash revenue USD 8,793,292

* Exchange rate (Banco de la Republica de Colombia): USD 1 = COP 3249.75 (2018/12/31)
Environmental commitment of Grupo Éxito & child nutrition support .......................... USD 3,765,828
78.5% of the contributions of Grupo Éxito stems from the donation of 22,674 tons of recyclable materials to be sold and recycled by Fundación Éxito

Commitment of the Company and its shareholders ... USD 338,488

Donation of textiles, faulty products & other goods ... USD 42,007

Donations to Food Banks and in-kind donations ...... USD 479,114
Estimated valuation of 1,946 tons of food products and non-food items donated. In addition, the Reagro program in Antioquia recovered 3,430 tons of agricultural food products, which in turn benefitted 519,000 persons during the year.

Commercial events of Grupo Éxito & Netflix income for the Documentary Magia Salvaje .......................... USD 119,702

Breastmilk is an indispensable and perfect mix, composed of water, fats, minerals, proteins, calcium, phosphor, iron, zinc, vitamins A, E, D, K, water-soluble vitamins and carbohydrates, as well as immune factors.

Our objective is to achieve that all families attended to by Fundación Éxito breastfeed exclusively during the first six months, as recommended by the World Health Organization. In line with this goal, 69%* of the babies attended to in 2018 were exclusively breastfed during this period. Breastfeeding, together with complementary feeding should continue up to two years of age.

*Sample of 4,363 children

SPECIAL SIDE DISHES
Supporting Human Milk Banks
Development of a Breastmilk donation campaign and support of Human Milk Banks, in partnership with the Ministry of Health and Social Protection of Colombia and the Santa Fe de Bogotá Foundation. Fundación Éxito invested over USD 338,488, benefitting over 9,300 children in the 15 Human Milk Banks across the country.

Lactatón Gen Cero, Fourth Edition (Big Latch On)
Within the frame of the Child Nutrition Month, over 20,000 people gathered to encourage 12,052 exemplary mothers to breastfeed in public spaces in 30 municipalities over 15 Colombian departments. Doing so simultaneously at a national level, they delivered the fundamental message that breastfeeding is the most nourishing act of love.
Partnership to provide Kangaroo newborns (born weighting less than 2,500 grams or preterm, before the 37th week) with nutritional care, given that premature babies are at higher risk of stunting.

**CHILD NUTRITION AWARD**

Award honoring public and private organizations that implement projects which improve health and maternal and infant nutrition. Six programs and a company were awarded, as well as six Grupo Éxito stores, the latter for their outstanding management of recycling and Goticas sales.

**FOOD SUPPLEMENTATION**

Antioquia, Atlántico, Bolívar, Boyacá, Caldas, Casanare, Cauca, Cesar, Cundinamarca, Huila, Magdalena, Meta, Nariño, Norte de Santander, Quindío, Risaralda, Santander and Valle.

**FOOD FOR THE SOUL/COMPLEMENTARY OFFER**

Antioquia, Córdoba, Cauca, Cundinamarca, Valle, Chocó, Putumayo and Vaupés.

**FOOD BANKS**

Antioquia (2), Bolívar, Córdoba, Huila, Magdalena, Nariño, Sucre, Tolima, Atlántico, Caldas, Cundinamarca, Meta, Norte de Santander, Risaralda, Santander and Valle (2). Reagro Program Antioquia.
Among our beneficiaries, 26,158 children were in their first 1,000 days (270 days of pregnancy and 730 days until their second birthday).

In 2018, we provided food assistance for 33,104 children. Among them, 26,158 were under 2 years of age (1,000 days) and 6,946 were 2 to 5 years old. Thanks to Fundación Éxito’s nutrition programs, these children and their families, through 116 partner institutions, received well-balanced grocery packages filled with proteins, vegetables, fruits, cereals, legumes, tubers, dairy products, oils, fats and flours every month during the course of the year.

In 2018, we supplied food packages throughout Colombia 71,260.
Nutritious food Over 1,100 tons.

WHAT IS THE RECIPE FOR FEEDING COLOMBIAN CHILDREN?

<table>
<thead>
<tr>
<th>GOTICA-BASED PREPARATION</th>
<th>RECYCLING-BASED PREPARATION</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1.</strong> Prior to financing projects, institutions specialized in child comprehensive care, focused on attending children in their first thousand days with stunting or at risk of suffering this condition, are put on the table.</td>
<td><strong>1.</strong> Add cardboard, plastics and other recyclable materials donated entirely by Grupo Éxito to Fundación Éxito.</td>
</tr>
<tr>
<td><strong>2.</strong> Day by day, contributions through Goticas, donations made by clients of Grupo Éxito’s stores, are added up to the mixture of resources granted by the company, its employees, its allies and Fundación Éxito. This mix is applied directly to the projects.</td>
<td><strong>2.</strong> These materials are loaded into trucks, filled with tons of recovered matter that will not land in landfills. These materials are then commercialized and all money resulting…</td>
</tr>
<tr>
<td><strong>3.</strong> Month by month, the children and their families visit the retail stores to select their groceries, following nutritional recommendations which ensure that they gather ingredients from all food groups. In cases where it is not possible for the beneficiaries to go to the stores, they receive pre-prepared food packages.</td>
<td><strong>3.</strong> Blends with other resources managed by Fundación Éxito and are ready to be converted into food, just as the Goticas!</td>
</tr>
</tbody>
</table>

193,000 certificates of donations to clients contributing to achieving Gen Cero through Goticas* and Vueltos**.

Among our beneficiaries, 26,158 children WERE IN THEIR FIRST 1,000 DAYS (270 days of pregnancy and 730 days until their second birthday).

* lit. Small Drops, donations from clients when paying for their groceries. **Contributions from clients who choose to leave the change when paying for groceries.

For each project, Fundación Éxito reviews and analyses:
- Suitability of the institution
- Compliance with the commitments undertaken
- Progress in the nutritional state of children
- Assessment of the achievements to renew joint funding

Neither Fundación Éxito nor Grupo Éxito receive tax benefits over funds raised through Goticas*, Vueltos** and moneyboxes. Certificates of Donation can be requested by sending an email stating the name and ID number of the donor to the address fundacion.exito@grupo-exito.com. These resources are audited by EY.
Musical Awakening Programs
A unique ingredient that contributes to the development of expression skills and thinking abilities through music, feeding the minds of 1,126 children, in partnership with the Antioquia Symphony Orchestra.

Reading Programs
Reading nurtures social skills, language development and strengthens emotional ties between caregivers and children. In partnership with: Ratón de Biblioteca en Medellín. Beneficiary children: 5,240

Overall number of children attended to: 30,383

Our complementary offer programs include financial support for the institution’s education agents and endowment, benefiting 23,174 children. Additionally, Fundación Éxito supports special initiatives, such as:

**Seminillas de Apego** (lit. Attachment Seeds)
In the Tumaco region, where communities suffer from the Colombian armed conflict, we are conducting a project focused on caregiving and essential emotional ties between a child and their mother or caregiver, in partnership with FEMSA, University of Los Andes and Genesis Foundation. Beneficiary children: 283

**Model “From Bogotá to Colombia”**
We are progressing in the development of the first national guide for Comprehensive Care against Chronic Malnutrition. In partnership with Santa Fe de Bogotá Foundation, the District Secretary of Health, the Department of Social Integration and the Colombian Family Welfare Institute (ICBF), the program benefitted 1,126 families through training on guidelines on health, childcare and parenting, and a monthly food delivery. Fundación Éxito invested over USD 584,660.

**Gen Cero Annual Report**
Document disclosing the current status of Colombia and its municipalities regarding the social determinants of stunting.

**Model for Public Policy Advocacy**
With the help of the University of EAFIT and Save the Children, we designed a specific model to foster agreements and actions regarding the eradication of stunting at national and regional administration. The Strategy for Territorial Impact allowed capacity-building in 8 municipalities for that purpose.

**Participation in Observatories for Government Management**
We mobilize government leaders to monitor health and nutrition indicators. Participating in Medellin Cómo Vamos (assessment of the city’s administration) allowed us to enable the improvement of coverage and the number of operation days of the Buen Comienzo program (lit. Healthy Start, in charge of early childhood care). It also permitted the lengthening of exclusive breastfeeding in the city to over 4 months, when the regional average in Antioquia was of 0.6 month according to the 2010 National Survey of the Nutritional Situation of Colombia (ENSIN 2010). In Así Vamos en Salud (Observatory for Health with national coverage) we promoted political advocacy in rural regions.

We are Gen Cero Volunteering
194 employees of Grupo Éxito in Colombia volunteered, learning about and supporting our actions with the beneficiary populations. In total, 1,003 hours were donated for child nutrition, accounting for an estimated USD 3,862.

The Pure Flavor of Vaupés (Amazonas)
We reached Vaupés in the Amazon region, which has one of the highest prevalence of stunting in Colombia, through the ONG Sinergias, to attend the predominantly indigenous child population of the department. In 2018, we strengthened 5 care centers in Mitú for a better monitoring of pregnant mothers and children under 5 years of age. We also improved the programs at 38 welfare community homes (daycare centers jointly administered by the State and the communities), based on an effective comprehensive care model for the children of Vaupés. In this process, we outlined the nutritional value of their local ingredients and showed them how to make a better use of them.

**FOOD FOR THE SOUL**
We convey our drive to serve Colombia and its children by encouraging others to commit and share actions. As organization, we give the best we can offer: a commitment from the heart, reinforced by our capacity to mobilize and leverage resources. To safeguard and promote the welfare of children, we encourage solidarity from our employees, businesses, brands, suppliers and clients, since only together we will be able to transform the reality for early childhood in Colombia.

By doing so we will succeed in ensuring that no child in Colombia suffers from stunting, an affliction that hinders them from nurturing their most basic dreams as human beings: live without hunger, grow with love, smile without fear, learn without limits and thrive.

Carlos Mario Giraldo M.,
CEO, Grupo Éxito
AFTER A BETTER NUTRITION...
IMPACT OF OUR ACTIONS

8,825 children were assessed among all our beneficiaries

PREGNANT MOTHERS (1,466 PREGNANT MOTHERS ASSESSED)

<table>
<thead>
<tr>
<th>Initial condition at first evaluation</th>
<th>Condition at second evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>35% had a low gestational weight</td>
<td>48% gave birth to children with an adequate birth weight. One in two children born from mothers with a nutritional deficit during pregnancy were born with an adequate birth weight.</td>
</tr>
</tbody>
</table>

PREGNANT MOTHERS (1,466 PREGNANT MOTHERS ASSESSED)

<table>
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<tr>
<td>22% suffered from stunting (low height-for-age)</td>
<td>51% One in two children improved their condition, to being at risk of stunting or reaching an adequate height.</td>
</tr>
</tbody>
</table>

CHILDREN BETWEEN 2 AND 5 (441 CHILDREN ASSESSED)

<table>
<thead>
<tr>
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<th>Condition at second evaluation</th>
</tr>
</thead>
<tbody>
<tr>
<td>15% suffered from stunting (low height-for-age)</td>
<td>36% One in three children improved their condition, to being at risk of stunting or reaching an adequate height.</td>
</tr>
</tbody>
</table>

The weight at birth and the healthy weight gain until 2 years of age ameliorate school results and income (salaries) during school years and adult life.1

WHAT CAUSES CHRONIC MALNUTRITION OR STUNTING? (SOCIAL DETERMINANTS)
Multi-causal public health condition hindering the growth and development of children

Long-term undernourishment

Limited access to drinking water

The prevalence of stunting is higher when the families lack access to safe water. Among the children assessed by Fundación Éxito, four of every five children (80.3%) who recovered an adequate height-for-age had access to safe drinking water in their homes.

Lack of access to health services

Income inequalities
According to Fundación Éxito’s analysis of the results of its intervention, there is a correlation between the GINI coefficient (measure of income inequality) and the prevalence of stunting in the different regions of the country: Where the inequalities are lower, recovery rates are better.

• Norte de Santander: ninth least unequal department in Colombia. There, 3 of 4 children attended to by Fundación Éxito recovered from stunting.
• Valle: One of the least unequal departments. 2 of 3 children suffering from stunting improved their condition.
• Bogotá: GINI coefficient of 0.498 (sixth highest), only 21% of children suffering from stunting recovered.

Low education level of the mother

Lack of basic sanitation

Dinner is ready!
This common expression in our country brings back memories of times of enjoyment, inclusion, celebration, festivities. For thousands of children, it is a rare call in their homes, an exception, almost a miracle considering the fact that there is hardly food on the table every day, as should be their right and that of everyone. Among the 63,587 children participating in our programs in 2018, 33,104 heard this call in their homes every night, and went to bed after eating well throughout the day, together with their families, every day of the year. It is so heartwarming to be able to provide nutritive food to our beneficiaries, knowing what will happen to the children eating well: their probability of recovering from stunting and of their brains developing normally increases, so that in the future they can learn, interact with others, strive and enjoy life. Therefore, we can say that, thanks to our actions every year, thousands of children grow with healthy brains and bodies, and joyful hearts.

Gonzalo Restrepo L., Chairman of the Board, Fundación Éxito

In 2018, Fundación Éxito showed an uneventful legal situation. No lawsuits of legal complaints, external or internal to the company, were filed against the organization. The use of software products within the organization is done in compliance with the current legislation and with the license agreements of the programs. We certify that we comply with all rules regarding intellectual property and copyrights. The licenses are owned by the company. Fundación Éxito allowed the free circulation of invoices from suppliers. Regarding the National Social Security System, the organization successfully complied with norms concerning employee contributions in 2018.

Our Allies

Private sector • Grupo Éxito • Adriadna S.A.S • Acer Inc. • Alcagüete S.A.S • Alpina S.A. • ASUSTeK Computer Inc. • Avicola Nacional S.A. – Avinal • Belleza Express S.A. • Carvajal S.A. • Comercializadora Medellín Ltda. • FEMSAL Foundation • Eurocorsett S.A.S. • Finanzas y Libranzas S.A.S. • Rafael Pombo Foundation • Fundación WWB Colombia • Gallina Colombiana Gallicol S.A.S • Genomma Lab Colombia Ltda. • Grupo Comercial Tolimense S.A. • Hewlett Packard Colombia • Ltda. • Incubadora Santander S.A – Huesvos Kikes • Industrias Cary S.A.S • Intel Tecnología de Colombia S.A • Lenovo • L’Oréal Colombia S.A.S • Mattel Colombia S.A • Microsoft • Mondelez Colombia S.A.S • Operadora Alsea en Colombia S.A (Arcchi's • Starbucks • Domino's Pizza • Burger King y P.F. Changs) • Pink Life S.A.S. • Price Philanthropies S.A.S. • Mattel Colombia S.A • Microsoft • Mondelez Colombia S.A.S • Operadora Alsea en Colombia S.A

Our Allies (cont.)

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Corporate Affairs Manager of Grupo Éxito

Claudia Echavarría Uribe


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