

Campanha ALIMENTO A GENTE COMPARTILHA



INSTITUTO ASSAÍ

ANNUAL REPORT 2022





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LETTER FROM THE EXECUTIVE BOARD OF OFFICERS

Wherever we go, we must strive to bring not only employment and financial stability to thousands of families, but also more chances and prosperity to the communities in which our stores are based. As a result, we founded the Assaí Institute: a physical manifestation of this commitment.

Our Institute and Assaí are aligned in purpose, even because the company is in an expansive period, extending its influence across the country's borders and, year after year, reaching more and more cities and regions of Brazil. Our goal is that our growth is also the growth of the people who work in the company and the regions surrounding us. Combining our strengths and making it a reality is part of our ethos.

The year 2022 was marked by tireless effort and knowledge acquisition. The creation of the Assaí Institute reflects the relevance we give to its social responsibility.

We elected to act with topics with which we have been acquainted for a considerable time, and which as we have observed needs promptness and action: entrepreneurship, food, and sports.

As a member of the food industry, we have made it our mission to eradicate hunger, for more than 15% of Brazil's population (33 million people) are struggling with it. We can't remain aloof. Therefore, we have boosted the strength of our performance, the engagement and involvement of Our People and customers/partners through our initiatives for food donation.

Additionally, the nation's high rate of unemployment has driven many to seek entrepreneurship as a means of generating income. Forty-three million Brazilians embarked upon entrepreneurship in our country due to need or ambition¹. To further the success of small businesses and food sector entrepreneurs, we are increasing access to information and training, offering financial

assistance, and assisting them in finding other venues for selling their products.

We value sports for more than just their potential for high performance; we prioritize them for their ability to foster human and social development. In recent years, Assaí has been a major supporter of sporting events and championships, and we are using this powerful avenue to promote inclusion and social awareness.

Here at Assaí, we know the journey ahead of us will be a long and winding one, and we wish it is as vigorous as it is powerful. In the opening edition of our report, you will be able to monitor our transformation and our impacts.

We aspire to create programs that will help build communities that are more equitable and prosperous, a journey that is only beginning but brimming with enthusiasm to multiply opportunities.

Follow along and come with us!



Sandra Vicari
EXECUTIVE OFFICER

¹ Source: 2021 GEM (Global Entrepreneurship Monitor) Survey

ACTIONS TO TRANSFORM, OPPORTUNITIES TO GROW

|GRI 413-1|

“Promoting opportunities and paths of prosperity for people and communities”: from this purpose, Assaí Atacadista launched in 2022 the Assaí Institute—an independent, non-profit organization that becomes the entity responsible for the Company’s social investment to enhance the commitment to the development of people and communities throughout Brazil.

The Institute symbolizes the importance we ascribe to corporate Social Responsibility and our promise to create a positive social impact by 2025. In addition, it marks the maturing and evolution of our consolidated social performance after the spin-off with GPA; hence, with guidelines and strategies defined from the characteristics, values and the way of being Assaí. With the alignment of purposes between the Assaí Institute and the Company, our growth is consolidated with the growth of Our People and the regions where we operate.

MANIFESTO

The wish to benefit people and communities has unceasingly been embedded in our lives.

Through our business, we have already managed to impact many lives, but we want to go further.

This is how the Assaí Institute was born. Our institute. With empathy, ethics, and respect.

We will work autonomously or join forces in partnerships, promoting initiatives in Entrepreneurship, Food and nourishment, and Sports.

Always with a focus on creating possibilities for people who strive for a better life.

They aspire to observe their dreams come true through their toils.

Our ambitious vision is fueled by our passionate commitment to the work we do.

After all, we are driven by a purpose: Promoting Opportunities and Paths of Prosperity for People and Communities.

We strengthen our positive impact with our culture, promoting care for Our People and the development of communities.

CHECK OUT THE VIDEO.



We are certain that, with an earnest dedication to society, we will be able to accomplish our mission.

DESIGN PROCESS

The proposal for creating the Assaí Institute was carried out through a collaborative and co-creation process. Within our purpose, we believe in our power to promote transformations in society, multiplying the possibilities of growth and opportunities for people.

We work in connections to multiply positive impacts, as we believe that awareness, engagement and collaboration are the only paths to true action. Thus, forming strong bonds with customers, suppliers, employees, other companies and civil society organizations, is one of our strategic focus is to broaden the reach of the programs and benefit more people.

Based on the macro drivers such as purpose, vision, mission, values, and the action fronts (entrepreneurship, food and nourishing, sport) defined in 2021, we started, in 2022, the strategic planning process to define how we will contribute to these topics.

For that purpose, we made a survey and diagnosis of the situation and needs in each topic through benchmarking in the industry and interviews with over

30 specialists, three workshops involving different areas of Assaí, and we reached a conclusion as to the key investment lines for each of these fronts.

Thus, 2022 was the year we worked on the unfolding of new programs and

Offer opportunities that impact the development of people and communities through initiatives focused on entrepreneurship, food & nourishment, and sports, whether autonomously or in partnerships.

Contribute effectively to social development, transforming people's lives to achieve their dreams and prosperity.

projects to meet the social demands of each of our fronts, contributing to a greater number of people benefited and the locations served.



GOVERNANCE

Assaí is our major supporting organization. Our management structure comprises a Decision-Making Board, an Audit Committee (3 effective members) and an executive board, under responsibility of Sandra Vicari, a professional appointed at the General Meeting as Assaí's Chief People & Sustainability Officer.

Annually, the members meet at the General Meeting led by the Chairman of

the Decision-Making Board, Belmiro de Figueiredo Gomes, CEO of Assaí. The Decision-Making Board is the Institute's higher decision-making and advisory body, whose priority activities are to provide general and strategic advice and resource investment guidelines for the Institute.

We boast a talented team of experts, diligently working to develop its projects and programs.



AREAS OF ACTION

Our Assaí Institute allows its supporting organizations to act in an even more focused and structured way on three fronts: Entrepreneurship, Food & nourishing, and Sports, guided by the following UN Sustainable Development Goals:

They are in line with the commitment of social actions that we had already established in previous years, and also with our strategic planning at the Assaí Institute, with reach until 2025.



Entrepreneurship

Promotion of food and nourishing entrepreneurship, with supportive actions through the Assaí Academy, which since 2017 has been working with micro and small entrepreneurs in the food area. We enable access to knowledge, besides offering financial resources and promoting access to markets on a continuous basis.

■ The Assaí Academy, a social initiative of Assaí since 2017 that is a reference in supporting entrepreneurs, becomes part of our Institute's programs.

It is a social investment program that supports micro and small entrepreneurs from different food business fields, developing their skills, sharing specific

knowledge of the food & nourishment industry, and providing exchange of experiences and practices to increase their business. It works by fostering the generation of work and income through courses, dissemination of free and quality content, events and various supports.

We also hold, annually, the Assaí Academy Award, to contribute and value entrepreneurs in the food and nourishing area.

In 2022, we started an impact assessment process of the Academy, considering the results since when the activities began through Assaí. This will be the basis for the validation, adjustments, and progress of the Academy now under the management of the Assaí Institute, with a focus on enhancing the initiatives that generate more impact for entrepreneurs and the society.



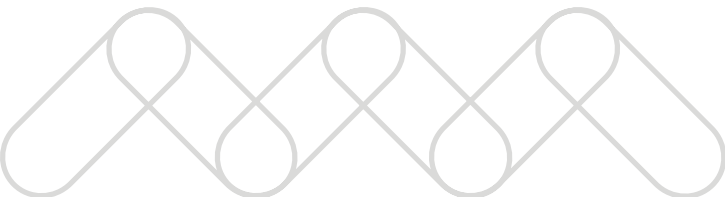
Adriana Barbosa

CEO of the PretaHub Platform and President of the Feira Preta Institute

ENTREPRENEURIAL FRONT:
PARTNERSHIP WITH PRETAHUB

“ Last year, we gathered together over 40,000 people at Feira Preta (Black Fair), who could enjoy a month-long schedule of activities that took place in a decentralized manner. From the outskirts to the central region of Sao Paulo city. At Casa Pretahub, we have also been receiving several entrepreneurs who see our facilities as a place to create, produce, communicate, and sell their produce. All this power or mobilization, articulation of a variety of players, and social impact would not be possible without the support of the Assaí Institute, which is a longstanding partner and is committed to a change with structuring impacts.

”



Strategic Directions of the Entrepreneurshi Front

Expanding this program to provide 1 million entrepreneurs with information and training on a regular basis.

Continue the financial support to entrepreneurs in the food & nourishment industry, and contribute to the access to different sales strategies.

Supporting social organizations that work to strengthen entrepreneurs—the focus of the Assaí Institute.

Establish and expand actions with rural entrepreneurs, supporting the development of economic models. By doing this, we aim to establish a connection between family farming and our stores—through resale in the shelves or the use of fruits, vegetables, and greens (FLV) in our cafeterias.

Lead movements with the market and public authorities so that the purchase of family farming production by private markets becomes a public policy.

2022 JOURNEY: INITIATIVES, PARTNERSHIPS, AND ENGAGEMENT

We have formed two critical strategic partnerships with influential industry organizations to manage our actions and strengthen the entrepreneurship-related ecosystem:

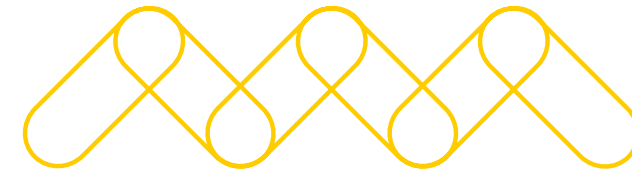
Entrepreneurial Alliance: it provides training and advocacy for entrepreneurs.

Pretahub: a hub of creativity, inventiveness and black trends—respecting the existence of the black population as a creative, entrepreneurial power. It strengthens our face-to-face activities in its two Casa Pretahub units, in Sao Paulo (State of Sao Paulo) and Cachoeira (State of Bahia), focused on accelerating black entrepreneurship.

We develop skills, share knowledge, and provide exchange of experiences



Academia Assaí



THE ASSAÍ ACADEMY TARGETS ITS INITIATIVES AT:

1 Information and training

Conducting training actions in business management

2 Boosting, recognition, and appreciation

Financial support bound to the strengthening of business and promotion of actions for recognition and appreciation

3 Support to other initiatives in the entrepreneurial area

Financial support to expand initiatives that strengthen micro and small entrepreneurs

4 Solutions for the ecosystem

Contribute with solutions to strengthen entrepreneurs in the food sector

INFORMATION AND TRAINING

Through an online platform, we spread free and personalized content about the food & nourishment industry in 2022:

2.4 million
HITS

A growth of
79%
versus
2021

The training is held in face-to-face or online format, with recorded and live classes.

In 2022, we also introduced new topics in the recorded courses to cover more entrepreneurs and more effectively: “Street Vendors” and “Cake Makers, Snack Makers”, “Restaurants” and “Bakeries & Confectioneries”, besides other topics already established. We offer 17 courses on the online platform, in addition to other live courses, such as those offered in partnership with Sebrae (Brazilian Small Business Support Service).

BOOSTING, RECOGNITION, AND APPRECIATION

Since 2018, we have been holding the Assaí Academy Award that is aimed at strengthening and recognizing entrepreneurs from all over the country who work in the food & nourishment

industry, helping them financially and offering tools to support them in the development of their business. The selection process takes into consideration the socioeconomic profile of each participant, with a greater preference for those who are more vulnerable.

OVER
13,000
certificates of
completion:
IT GREW
60%
versus 2021



SUPPORT FOR OTHER INITIATIVES IN THE AREA OF ENTREPRENEURSHIP

Since 2018, we have been providing financial support to several projects and social organizations that work with the promotion and training of micro and small entrepreneurs all over Brazil. The figure invested results from the capitalization of the monetary return gained from the sale of plastic bags from our stores.

In 2022, we supported 16 institutions (in the states of Amazonas, Bahia, Minas Gerais, Rio de Janeiro and Sao Paulo), which benefited over 1,400 entrepreneurs in the food and nourishing industry.



















Luis Coelho e
Jennifer Rodrigues
Founders of Empreende Aí

ASSAÍ ACADEMY

“ *The partnership with Assaí is of strategic importance to us at Empreende Aí. It offers us the chance of joining forces with a company that is truly committed to the social impact on the lives of small entrepreneurs in the gastronomy area. In 2022, we had the opportunity, together, to train entrepreneurs from all over Brazil and provide some of them with financial reward so that they could improve their business and expand their operations in their territories.* ”

SUPPORT FOR OTHER INITIATIVES IN THE AREA OF ENTREPRENEURSHIP

PARTNER ORGANIZATION	PROJECT	ABOUT THE PROJECT
Ciclos 	Gastronomic Accelerator of Ilheus city Ilhéus - BA	This project seeks to reinforce the production and sales structure of informal food & nourishment entrepreneurs in the region and give them access to resources in order to gain fair income and competitiveness. It empowers participants for financial education, consolidates marketing networks, and creates a business accelerator.
Empodera Institute 	Muses cycle: Celebrate and nourish. Sorocaba, SP	It supports groups in coping with the pandemic, creating ties, weaving affective networks among people from different regions of Brazil, and expanding the look at possibilities and opportunities.
Redes da Maré 	Maré de Sabores Rio de Janeiro - RJ	This project offers professional qualification in gastronomy for women from Maré and carries out other actions generating sustainability for the training activities of Casa das Mulheres da Maré.
Arrastão Project 	Sustainable outskirts, Arrastart Sao Paulo, SP	It contributes to the socioeconomic development of the Southern region of the Sao Paulo city, with support for market expansion and business sustainability in the area of healthy, safe, and affordable food. It promotes training and mentoring activities, performing the pre-acceleration of gastronomy businesses.
Asplande 	Flavors of Rio. Niterói, RJ	It contributes to qualify and promote the entrepreneurial performance of women who work in the gastronomy industry in regions where the association operates.
Vale do Dendê 	Food Business Acceleration. Salvador, BA	Through this project, a request for proposals of acceleration of food & nourishment businesses is carried out, through training, consulting and mentoring with topics focused on the management and development of the enterprises.
Firgun 	Periferia Empreendedora Fund - Brazil	It supports small entrepreneurs during and after the pandemic period through loans for their business, and offers training and a relationship community to expand their market.
Peabiru 	Products from the Amazon; Belém, PA	It maintains both a physical facility and an online channel to support the sale of products from micro and small entrepreneurs of socio-biodiversity products from the Amazon, in addition to offering technical support to special bee breeding families in the cities of Curuçá and Monte Alegre.

PARTNER ORGANIZATION	PROJECT	ABOUT THE PROJECT
Empreende Aí 	Awakening Gastronomy Entrepreneurs. Brazil	It promotes the Awakening of the Gastronomy Entrepreneur course in online format. The course that serves entrepreneurs in the food & nourishment industry throughout Brazil has relevant content to manage a business and develop the entrepreneurial profile.
Aliança Empreendedora 	Institutional Support. Curitiba, PR	The institutional support to this organization aims to strengthen the work carried out by it in support and free training of formal and informal small entrepreneurs in low-income communities nationwide.
Centro Educacional Profissional do Coroadinho 	Window to the Future. Sao Luis, MA	It trains young people and adults in gastronomy courses in the areas of bakery, confectionery and sweets and snacks, with subjects on entrepreneurship and IT. It contributes to an increased income generation and jobs.
Anjos da Tia Stellinha 	Professional Qualification. Rio de Janeiro, RJ	It promotes free professional qualification courses in topics such as: bread, homemade cake and desserts. It contributes to an increased income generation and jobs.
Associação Educadora e Beneficente (CESPROM) 	Training Courses. Jundiaí, SP	It promotes training courses in baking, confectionery, and kitchen assistant. It contributes to an increased income generation and jobs.
União da Saúde sem Fronteiras (UNISF) 	Income Generation. Mauá, SP	The income generation workshop prepares participants to gain skills, abilities, practices and technical and behavioral knowledge necessary for the exercise of an activity and for entrepreneurship. It focuses on strengthening black women, refugees and women in situations of domestic violence.
Ação Moradia 	2E: Empower and pursuing Entrepreneurship. Uberlândia, MG	It offers professional training in vegetable production and functional cooking, advice and support to women under a situation of social and/or financial vulnerability.
Pretahub Institute 	PretaHub: Cachoeira, BA and Sao Paulo, SP	Social impact and communication plan to strengthen black entrepreneurship in Brazil. The PretaHub Institute proposes social impact actions through education, credit, digitization, content and communication that aims to: support the empowerment of black, peripheral and LGBTQIAP+ entrepreneurs, in the processes of creation, production, distribution and consumption.

The **5th Assaí Academia Award** in 2022 distributed over R\$850 thousand in prizes to the participants, who could register in three categories: on-demand Sales; Fixed point of sale; and Street vendor. During the Covid-19 pandemic, when business in general was strongly impacted, we increased the number of awardees from 15 to 150 (2019/2020), expanding our support and contribution to entrepreneurs. Further understanding and recognizing the consequences of this scenario, in 2021 we expanded our coverage to 1,500 awardees.

In 2022, we had strong mobilization and engagement of our employees for the dissemination of the Award—which reinforces the potential of Our People to make a difference in our social actions.

1,50
ENTREPRENEURS AWARDED
IN 2022 10 times more than
in 2020 100 times more than in 2019

Over 30 thousand
registrations in all
regions of Brazil: 82% growth
(versus 2021)



Over 70%
of the awardees declared
themselves as black
and female.

AWARDS

Stage 1

- 1,350 people were received R\$ 300 + an online training workshop
- 150 people received 2,000 Brazilian Reals + 500 Brazilian Reals in Assaí's vouchers + customized consultancy for the development of their business + one week of training and competed for Stage 2 awards.

Stage 2

15 entrepreneurs received an additional prize of 2 thousand Brazilian Reals + a mobile phone + trip to Sao Paulo city to attend the immersion course to develop their business, and competed for the prize of the Final Stage.

Final Stage

3 winners received a financial contribution of 10 thousand Brazilian Reals.



Grazielle Ferreira da Silva

Veganos & Especiais – Inclusive Cooking (Niterói, State

Southeast regional winner, in the
Sale on Demand category



It all started in October 2018, when my son Nickolas was diagnosed with food allergies. From this moment our lives changed radically and we had to get used to the various restrictions. In this process I came to know vegetarianism and veganism where I rediscovered myself! With the lack of options and guarantee of 100% reliable products, I started to reinvent myself in the kitchen and create my recipes, and inclusive cooking became part of my heart. This Prize is incredibly meaningful to me and symbolises the representation of those with dietary restrictions and people from my community. This money will help me make more improvements to my business and to make my goal of having a physical store a reality.



Josenilda Silva dos Santos

Maná da Nilda (Salvador, State of)

National winner in the street
vendor category.

Josenilda started selling and delivering lunch boxes to the residents of her neighborhood, and her work became the family's livelihood. She was more excited than ever to take part in the Assaí Academy Contest and Immersion Week, and the thrill of the experience was further heightened by the loud hum of the airplane engine as she flew for the first time in her life to Sao Paulo.



The Assaí Academy gave me a moment of transcendent delight. I'm overjoyed with what is taking place. Winning as a highlight and being recognized for my work, besides representing Northeastern Brazil, is thrilling for me.



Felipe Rossini Carvalho

Pão do Rei (Curitiba, PR)

National winner, in the fixed
point of sale category

Felipe reinvented himself in times of need. He, who had never made bread, sought recipes from the internet and discovered a new talent.



Making bread was a that I discovered and that I will never let go of. The Assaí Academy prize is the recognition of all our efforts and encourages micro and small entrepreneurs not to give up on their dreams.



■ **Feira Preta Festival**

Under the theme 'The Black Future is Made Today', the Feira Preta (Black Fair) Festival celebrated its 20th anniversary the largest black culture and entrepreneurship event in Latin America and has been supported by Assaí since 2018. We took part in it for the fifth year in a row as sponsors and supporters of the gastronomic front of this event.

This festival innovated with the SPerifas project, which promoted a

decentralization of the programming to the outskirts of Sao Paulo capital city, which counted on the participation of the Assaí Institute in gastronomic workshops given by recognized professionals in each region.

Another novelty was the "social ticket" in the form of food donation. The Assaí Institute doubled the volume collected in donations (3.57 tons) of food as part of our commitment to prevent food insecurity.

IT GENERATED
OVER
500
JOBS
both direct
and indirect

It was
attended by
more than
40,000
PEOPLE

Attended
by over
260
ENTREPRENEURS

It promoted a monetary turnover of over 6 million Reals (when accounting for the hiring of artists, suppliers, and technical professionals, and the sale of products, services, and food)



Food Security

Striving to eliminate food insecurity, through access to food and resources to buy them.

2022 JOURNEY: INITIATIVES, PARTNERSHIPS, AND ENGAGEMENT

■ The Assaí Institute's strategy to eliminate food insecurity is now supported by three pillars:

Food donation and collection campaigns

Community Kitchens

Basic Food Staples Card

2023-25 Goals

Strengthen community kitchens: structure new ones and support existing ones.

Establish partnerships to create an income transfer program for food, together with food and nutritional education initiatives, ensuring the power of better choice to supported families.

Engage our customers to our cause of eliminating hunger through the mobilization to donate food to people in social vulnerability.

Mobilize other partner companies and industries to increase by 50% the impact of the program.

Monitor the social impact of the families served.

We support people in situations of social vulnerability through the donation of food in partnership with social organizations

- **Food donation:** donations of basic food staples, carried out by Assaí.

Through our Institute, in 2022, we donated over 242.7 tons of food, benefiting over 25,000 families in Brazil through partnerships with more than 209 partner social institutions that work with communities.

- We promote emergency campaigns mobilizing customers to donate food and other products to support people affected by heavy rains or other natural disasters in the states of Alagoas, Bahia, Pernambuco, Rio de Janeiro, and Sao Paulo. There were more than 55 tons of products collected and distributed to social organizations operating in the affected regions.

- **We mobilized and engaged customers and suppliers** to, together, welcome people in social vulnerability. Thus, our stores functioned as collection points for the campaigns we carried out throughout the country. Through them, we increased the donation of food and/or essential items to these people. This action is carried out through selected social organizations, which provide social assistance and care to the population in each region.



In view of the impacts caused by the COVID-19 pandemic, the Institute expanded fundraising campaigns and increased the support to social organizations with a large demand to care for families. Even after the most critical period of the pandemic, the Assaí Institute kept its commitment to support people in situations of social vulnerability through food donation and/or partnerships with social organizations.

FOOD SECURITY FRONT: DONATIONS



Evaldo Almeida
Executive Officer of MEAP:
Evangelical Mission for
Support to Fishers

“

The challenges for effective work with traditional riverside communities and artisanal fishermen in Brazil, which need to happen from emergency relief and livelihood support, to initiatives fostering family income and sustainability, can only be achieved with the strength and commitment of partners such as the Assaí Institute that, together with MEAP - Evangelical Mission for Support to Fishers, has contributed to the donation of food to families living in remote locations on the Brazilian coast and Amazon rivers.

”

- **Community Kitchens:** definition of the performance model.

Basic Food Staples Card: income transfer: project definitions, organization of partnerships for distribution of basic food staples cards

- The “**Destino Certo**” (Right Destination) Program was created to bring together all Assaí’s actions to reduce waste through the donation of food (fruits, vegetables, and greens) that do not have the desirable commercial aesthetic characteristics. Donations are made through the careful prospecting and evaluation of organizations specialized in supporting and welcoming people in vulnerable situations.

In 2022, this initiative underwent a broad program of expansion and strengthening of communication (both internal and external). Then, we increased from 101 donor stores (annual data) to 182 in the same period of 2022. Through this Program, Assaí donated 1,700 tons of

perishable FLVs (fruits, vegetables and greens), which are unfit for sale but suitable for consumption (44% increase).

As a result, landfill diversions have allowed reductions in emissions of gases, such as methane, by about 31,490 tons of CO₂e.



(RIGHT DESTINATION)



Alcione Pereira

Founder and CEO of Connecting Food



The “Destino Certo” (Right Destination) Program is an initiative connected to today’s major humanitarian and climate causes, a testament to the practice of ESG strategic guidelines.

By promoting food donation in all its stores, Assaí Wholesaler promotes the reduction of food waste and its environmental impacts, contributes to minimize the impacts of hunger of vulnerable populations, and sets as an example on how corporate practices can leverage the sustainable development of society.



■ To strengthen and expand the actions to eliminate hunger, in July the Assaí Institute adhered to the **15 by 15 Pact**, an action developed by the “Ação da Cidadania” (Citizenship Action) organization with the purpose of bringing food to the 33 million people who are currently starving in the country.

Assaí was a pioneer in the industry by announcing it became a member of it. We committed ourselves to serving 15 new civil society organizations per month, from August to December 2022, with the donation of surplus fruits, vegetables, and greens of the operation.

■ Assaí’s customers took part in the **“Food we share” campaign**, to donate non-perishable food, with collection points at all our stores. In 2022, over 47 tons of products were delivered to local organizations surrounding Assaí stores.

The mobilization during the Christmas season takes place annually, and has become part of the Assaí Institute’s initiatives on the Food Security front.

It is a nationwide campaign to collect items of the basic food staples in all Assaí stores, carried out in partnership with more than 70 registered social organizations, which distribute the items collected to thousands of people assisted by their projects. The **“Alimento a Gente Compartilha (Food we share)”** Campaign, which took place in December, was supported by volunteers

– customers, employees, and suppliers of Assaí stores. It contributed to mobilize 378 tons of food, bringing more prosperity to the beneficiary families. We donated another 15% of the total raised during the campaign.



Sports

Strengthen small organizations to promote sports activities.

2022 JOURNEY: INITIATIVES, PARTNERSHIPS, AND ENGAGEMENT

- Planning and mapping organizations for support and partnerships
- Since 2019, we have been sponsoring sporting events with social purpose, such as the Taça das Favelas de Sao Paulo. The sponsorship signals our belief in the power of shantytowns, and in sports as an important tool for the promotion of citizenship. We went beyond brand activations: through the Assaí Institute we promoted

development actions for entrepreneurs who work in the shantytowns taking part in the tournament, providing online training promoted by the Assaí Academy. In addition, entrepreneurs who completed the training received a financial support of BRL 300 in Assaí vouchers to invest in their businesses.

2023-25 Goals

Create a program to support and strengthen social organizations that promote physical and sports

Our target by 2025: to operate in 15 communities in Northern and Northeastern Brazil, promoting perennial activities and contributing to the ancillary activities of these organizations.

By 2025, five supported institutions are expected to be structured with some level of autonomy, mobilizing new resources and with greater engagement and retention of the public served.

Within 10 years, the championship has brought together over

5,000 shantytowns

across the country, mobilizing over 800,000 young people.



Our goal is to train, inform, guide, and contribute to the development of skills and competences of those entrepreneurs. In addition, entrepreneurs who completed the training received a financial support of BRL 300 in Assaí vouchers to invest in their businesses.

As a support to the players of this Sao Paulo Championship, the 4 finalist teams (both male and female) were granted an award of BRL 7 thousand each through cards for basic food staples in the amount of BRL 200 for the teams members to use at our stores.

We also donated a ton of food to the communities of the players of the teams that played the final match.

■ We were considered the Official Wholesaler for the Taça das Favelas (Shantytowns Cup) in the State of Sao Paulo. This competition is held by the Central Única das Favelas (CUFA), and is the world's largest soccer championship between shantytowns.

■ We were also sponsors of the **Taça das Favelas Nacional**.

■ Together with the sponsorship of sports marketing on the “Brasileirão” soccer cup, we carried out a social action in April 2022 with the teams and players. One player featured each month in the Championship is chosen by a group of experts (journalists and coaches). Such player appoints a social organization from his/her state of origin to receive a ton of food donated by the Assaí Institute. Nine social organizations joined by the end of the year, with the distribution of nine tons of food to the families served.



Other initiatives carried out in 2022

We provided resources to social organizations dedicated to health promotion, helping to sustain their activities. The investment is made with the amount of the profit from the sale of plastic bags in the stores of Assaí Atacadista. Since 2007, when we started this project, the amount exceeds BRL 38 million.

The Coat Campaign (halted for two years due to the COVID-19 pandemic) was resumed in 2022. It had the participation of over 215 Assaí stores as collection points for employees, customers, and partners, which totaled 23 tons of clothes, sweaters, and blankets, delivered to partner social organizations and to the homeless population.

38 social organizations supported all over Brazil in 2022. Among them: AACD, GRENDAAC, Casa Hope, APAEs.



EXHIBITS

PARTNER INSTITUTIONS

ORGANIZATIONS	CNPJ [TAX ID]
Ação Moradia	04.172.671/0001-90
Ciclos	31.813.527/0001-69
Empodera Institute	14.227.230/0001-00
Redes da Maré	08.934.089/0001-75
Arrastão Project	43.082.197/0001-68
Asplande	68.623.982/0001-01
Vale do Dendê	31.186.223/0001-19
Firgun	29.078.712/0001-05
Peabiru	02.650.035/0001-00
Empreende Aí	26.054.363/0001-01
Aliança Empreendedora	07.324.851/0001-39
Instituto Feira Preta	11.323.009/0001-50
CEPC Coroadinho	35.191.881/0001-50
Anjos da tia Stelinha	27.481.838/0001-09
CESPROM Jundiá	50.951.805/0012 - 41
UNISF	21.308.951/0001-00
Casa do Cristo Redentor	62.366.844/0001-08
Casa Do Grupo Gay	17.836.929/0001-58
Casa do Idoso São Vicente de Paulo de Manaus	04.162.681/0001-45
Casa Santa Dulce dos Pobres	27.568.570/0001-39
Boitua Community Center + NGO "Dedo de Deus"	24.637.821/0001-00
Centro Espirita Casa dos Essenios	39.376.895/0001-07
Centro Espirita Irmã Catarina	45.030.129/0001-80
Centro Espirita Jesus Redivivo (CEJR)	51.205.094/0002-57
Centro Integrada de Apoio à Criança e ao Adolescente Rosa e Azul - CIACA	09.615.210/0001-69
Centro social Menino Jesus de Sinop	32.944.423/0001-56
Centro social Nossa Senhora do Bom Parto	62.264.494/0001-79
Comunidade Terapêutica Projeto Liberdade	02.710.198/0001-22
Comunidade Terapêutica Renascer	19.074.526/0001-44

INSTITUIÇÕES	CNPJ [TAX ID]
COR - Cidadania, Orgulho e Respeito (AMADIS)	39.408.049/0001-13
Military Fire Department from Bahia	22.306.987/0001-00
Cotolengo Sul-Matogrossense	01.367.712/0001-06
CUFA - Central Única das Favelas	06.052.228/0001-01
CUFA - Central Única das Favelas	40.709.383/0001-96
Diocese of Petrópolis	28.805.190/0001-33
Federação Brasileira De Comunidades Terapeuticas Cristas	06.955.556/0001-18
Federação Paulista de Breaking - FSPB	27.966.943/0001-20
Fluxo sem Tabu	37.499.064/0001-99
Fraternidade Sem Fronteiras	11.335.070/0003-89
Fundacao Amazonas Sustentavel - FAS	09.351.359/0001-88
Fundação CAS (Bombeiros)	32.928.258/0001-49
Fundação Dr. Raul Furtado Bacellar	00.342.779/0001-23
Boitua Community Center + NGO "Dedo de Deus"	24.637.821/0001-00
Centro Espirita Casa dos Essenios	39.376.895/0001-07
Fundo Municipal de Assistencia Social de Itapevi	14.691.872/0001-58
Social Solidarity Fund of the Municipality of Carapicuíba - Municipal Department of Social Assistance	42.247.053/0001-51
Grêmio Desportivo Valparaíso	03.509.407/0001-37
Grupo Arco-Íris	97.468.433/0001-08
Grupo Espirita Razin	47.692.348/0001-50
IAB Instituto Beneficente Amigos que Brilham	27.136.632/0001-33
ICS - Instituto de Responsabilidade Social Cidade Solidária	25.683.643/0001-08
Igreja Assembleia de Deus Profetizando Vitória	08.518.965/0001-82
Igreja Evangelica Assembleia de Deus em Curitiba	75.034.645/0001-44
Igreja Evangelica Pentecostal Comunhão Rara	09.074.316/0001-00
Igreja Videira Santissimo	31.908.895/0001-90
Instituição justiça de paz	15.553.071/0001-99
Instituição Vaso Novo	30.319.666/0001-78

EXHIBITS

ORGANIZATIONS	CNPJ [TAX ID]
Instituto Amigos da Sopa de Alagoas Maceió (IASAL)	25.243.955/0001-09
Instituto Arthur Peterson - IAP Casazul	41.105.129/0001-41
Instituto Batista Lázaro Ferreira Filho	22.917.836/0001-98
Instituto Chamado Leão Da Tribo De Judá	30.755.602/0001-10
Instituto de Apoio, Proteção a Pesquisa, Educação e Cultura (Projeto Escola de Mães)	05.486.228/0001-57
Instituto de Desenvolvimento Afro Norte e Noroeste Fluminense	10.875.993/0001-07
Instituto de Referência Negra Peregrum - UNEAFRO	11.140.583/0001-72
Instituto do Câncer Infantil do Agreste - Icia	06.061.422/0001-53
Instituto Escola do Povo	12.772.787/0001-99
Instituto Feira Preta	11.323.009/0001-50
Instituto Filippo Smaldone	04.834.065/0001-93
IACC Cariri Institute	11.661.358/0001-81
Instituto Maria da Penha	11.161.826/0001-59
Instituto Semear Plantar e Transformar	42.095.357/0001-40
Instituto Sócio Cultural do Bem	05.772.349/0001-65
Instituto SOS Gente	08.343.350.0001-62
Transviver Institute	32.274.491/0001-55
Instituto Vida Videira	07.182.640/0001-09
Junta De Missoes Nacionais da Conv Batista Brasileira	33.574.617/0001-70
Lar Bethel Abrigo Da Velhice Desamparada	56.402.316/0001-64
Lar da Vozinha - Associação Espirita Enviados de Jesus	08.430.951/0001-02
Lar das Crianças Nossa Senhora das Graças	31.144.918/0001-38
Lar Ebenezer (Lar do idoso)	03.471.216/0001-23
Lar Infantil Cristo Redentor	13.042.817/0001-74
Lar São Vicente de Paulo	71.868.285/0001-25
Lions Clube de São Vicente	52.252.293/0001-06
MAIS - Movimentos de Articulação e Inclusão Social	24.408.300/0001-72
MEAP - Missão Evangélica de Assistência aos Pescadores	54.358.437/0001-20
Mesa Brasil AP	03.593.251/0001-15

ORGANIZATIONS	CNPJ [TAX ID]
Mesa Brasil MA	04.155.096/0001-18
Mesa Brasil PA	03.593.364/0002-00
Mesa Brasil PE	03.482.931/0021-05
Mesa Brasil Ribeirão Preto	03.667.884/0027-60
Mesa Brasil RO	03.743.123/0001-00
Mesa Brasil RR	03.488.834/0001-86
Mesa Brasil TO	03.779.012/0001-54
Missão Batista Do Pelourinho	04.637.737/0001-70
MLB - Movimento de Lutas nos Bairros Vilas e Favelas	07.058.129/0001-08
Movimento de Mulheres do Jardim Comercial e Adjacências	59.289.546/0001-57
Município de Itatiba	50.122.571/0001-77
ONG Carlos Daniel	22.767.286/0001-78
ONG Movimento - Projetos Sociais	29.985.733/0001-04
Pequeno Cotolengo Paraná - Dom Orione	76.610.690/0001-62
City Hall of Campinas, SP	44.608.776/0001-64
Programa de Educação e Qualidade de Vida - EDUQUEVIDA	03.400.599/0001-49
Projeto Saúde & Alegria	55.233.555/0001-75
ROTARY	66.663.949/0001-80
City Department of Social Services - Betim, MG	18.715.391/0001-96
Semear	61.406.724/0001-24
Sindicato dos Comerciantes de São Paulo	60.989.944/0001-65
Sociedade amigos do bairro Jardim José	43.675.693/0001-25
Sociedade Bíblica do Brasil	33.579.376/0001-51
SOPAI - Sociedade de Assistência e Proteção a Infância de Fortaleza	07.253.784/0001-09
SOS Serra	43.307.192/0001-96
Vila Vicentina de Sete Lagoas	24.994.428/0001-65
Voluntárias Sociais da Bahia	15.183.403/0001-90



KPMG Auditores Independentes Ltda.
Rua Verbo Divino, 1400, Conjunto Térreo ao 801 - Parte,
Chácara Santo Antônio, CEP 04719-911, São Paulo - SP
Caixa Postal 79518 - CEP 04707-970 - São Paulo - SP - Brasil
Telefone +55 (11) 3940-1500
kpmg.com.br

Relatório dos auditores independentes sobre as demonstrações financeiras

Aos Conselheiros e Diretores do
Instituto Assaí
São Paulo - SP

Opinião

Examinamos as demonstrações financeiras do Instituto Assaí ("Instituto"), que compreendem o balanço patrimonial em 31 de dezembro de 2022 e as respectivas demonstrações do resultado, do resultado abrangente, das mutações do patrimônio líquido e dos fluxos de caixa para o período de 10 de março a 31 de dezembro de 2022, bem como as correspondentes notas explicativas, compreendendo as políticas contábeis significativas e outras informações elucidativas.

Em nossa opinião, as demonstrações financeiras acima referidas apresentam adequadamente, em todos os aspectos relevantes, a posição patrimonial e financeira do Instituto Assaí em 31 de dezembro de 2022, o desempenho de suas operações e os seus fluxos de caixa para o período de 10 de março a 31 de dezembro de 2022, de acordo com as práticas contábeis adotadas no Brasil aplicável às pequenas e médias empresas.

Base para opinião

Nossa auditoria foi conduzida de acordo com as normas brasileiras e internacionais de auditoria. Nossas responsabilidades, em conformidade com tais normas, estão descritas na seção a seguir intitulada "Responsabilidades dos auditores pela auditoria das demonstrações financeiras".

Somos independentes em relação ao Instituto Assaí, de acordo com os princípios éticos relevantes previstos no Código de Ética Profissional do Contador e nas normas profissionais emitidas pelo Conselho Federal de Contabilidade, e cumprimos com as demais responsabilidades éticas de acordo com essas normas. Acreditamos que a evidência de auditoria obtida é suficiente e apropriada para fundamentar nossa opinião.

Responsabilidades da administração pelas demonstrações financeiras

A administração é responsável pela elaboração e adequada apresentação das demonstrações financeiras de acordo com as práticas contábeis adotadas no Brasil, aplicáveis para as pequenas e médias empresas e pelos controles internos que ela determinou como necessários para permitir a elaboração de demonstrações financeiras livres de distorção relevante, independentemente se causada por fraude ou erro.

Na elaboração das demonstrações financeiras, a administração é responsável pela avaliação da capacidade da Entidade continuar operando, divulgando, quando aplicável, os assuntos relacionados com a sua continuidade operacional e o uso dessa base contábil na elaboração das demonstrações financeiras, a não ser que a administração pretenda liquidar a Entidade ou cessar suas operações, ou não tenha nenhuma alternativa realista para evitar o encerramento das operações.

Responsabilidades do auditor pela auditoria das demonstrações financeiras

Nossos objetivos são obter segurança razoável de que as demonstrações financeiras, tomadas em conjunto, estão livres de distorção relevante, independentemente se causada por fraude ou erro, e emitir relatório de auditoria contendo nossa opinião. Segurança razoável é um alto nível de segurança, mas não uma garantia de que a auditoria realizada de acordo com as normas brasileiras e internacionais de auditoria sempre detectam as eventuais distorções relevantes existentes. As distorções podem ser decorrentes de fraude ou erro e são consideradas relevantes quando, individualmente ou em conjunto, possam influenciar, dentro de uma perspectiva razoável, as decisões econômicas dos usuários tomadas com base nas referidas demonstrações financeiras.

Como parte da auditoria realizada de acordo com as normas brasileiras e internacionais de auditoria, exercemos julgamento profissional e mantemos ceticismo profissional ao longo da auditoria. Além disso:


- Identificamos e avaliamos os riscos de distorção relevante nas demonstrações financeiras, independentemente se causada por fraude ou erro, planejamos e executamos procedimentos de auditoria em resposta a tais riscos, bem como obtemos evidência de auditoria apropriada e suficiente para fundamentar nossa opinião. O risco de não detecção de distorção relevante resultante de fraude é maior do que o proveniente de erro, já que a fraude pode envolver o ato de burlar os controles internos, conluio, falsificação, omissão ou representações falsas intencionais.
- Obtemos entendimento dos controles internos relevantes para a auditoria para planejarmos procedimentos de auditoria apropriados às circunstâncias, mas, não, com o objetivo de expressarmos opinião sobre a eficácia dos controles internos da Entidade.
- Avaliamos a adequação das políticas contábeis utilizadas e a razoabilidade das estimativas contábeis e respectivas divulgações feitas pela administração.
- Concluimos sobre a adequação do uso, pela administração, da base contábil de continuidade operacional e, com base nas evidências de auditoria obtidas, se existe incerteza relevante em relação a eventos ou condições que possam levantar dúvida significativa em relação à capacidade de continuidade operacional da Companhia. Se concluirmos que existe incerteza relevante, devemos chamar atenção em nosso relatório de auditoria para as respectivas divulgações nas demonstrações financeiras ou incluir modificação em nossa opinião, se as divulgações forem inadequadas. Nossas conclusões estão fundamentadas nas evidências de auditoria obtidas até a data de nosso relatório. Todavia, eventos ou condições futuras podem levar a Companhia a não mais se manter em continuidade operacional.

- Avaliamos a apresentação geral, a estrutura e o conteúdo das demonstrações financeiras, inclusive as divulgações e se as demonstrações financeiras representam as correspondentes transações e os eventos de maneira compatível com o objetivo de apresentação adequada.

Comunicamo-nos com a administração a respeito, entre outros aspectos, do alcance planejado, da época da auditoria e das constatações significativas de auditoria, inclusive as eventuais deficiências significativas nos controles internos que identificamos durante nossos trabalhos.

São Paulo, 10 de maio de 2023

KPMG Assurance Services Ltda.
CRC 2SP-023228/O-4


Bruno Cesar Vieira da Silva
Contador CRC SP270337/O-1

Assaí Institute

Balance Sheet as of December 31st, 2022

(Stated in Real: BRL or R\$)

Assets	Note	2022	Liabilities and stockholders' equity	Note	2022
Current assets			Current liabilities		
Cash and cash equivalents	4	7,771,419	Suppliers		34,655
			Tax liabilities		<u>3,965</u>
Total current assets		<u>7,771,419</u>	Total current liabilities		<u>38,620</u>
			Stockholders' equity	7	
			Accumulated surplus		<u>7,732,799</u>
			Total stockholders' equity		7,732,799
Total Assets		<u>7,771,419</u>	Total liabilities and shareholders' equity		<u>7,771,419</u>

The explanatory notes are an integral part of the financial statements.

Assaí Institute

Income Statement

Period from March 10 to December 31, 2022

(Stated in Real: BRL or R\$)

	Note	From Mar. 10, 2022 to Dec. 31, 2022
Net operating revenue		
Income from the supporting entity	8	9,595,000
Revenue from in-kind donations received	9	628,944
Revenue from voluntary work	9	445,097
		<u>10,669,041</u>
Operating expenses		
Expenses with services provided by third parties	10	(1,467,514)
Administrative expenses	11	(298,587)
Tax expenses		(6,113)
Other operating expenses	12	(213,900)
Expenses with in-kind donation of services/materials	9	(628,944)
Expenses with voluntary work	9	(445,097)
		<u>(3,060,155)</u>
Operating income before net income		<u>(7,608,886)</u>
Financial revenue	13	147,946
Financial expenses	13	(24,033)
Net financial income		<u>123,913</u>
Surplus for the year		<u><u>7,732,799</u></u>

The explanatory notes are an integral part of the financial statements.

Assaí Institute

Statement of comprehensive income

Period from March 10 to December 31, 2022

(Stated in Real: BRL or R\$)

	From Mar. 10, 2022 to Dec. 31, 2022
Net operating revenue	
Surplus for the year	7,732,799
Other comprehensive income	<u>-</u>
Total comprehensive income	<u><u>7,732,799</u></u>

The explanatory notes are an integral part of the financial statements.

Assaí Institute

Statement of Changes in Equity

Period from March 10 to December 31, 2022

(Stated in Real: BRL or R\$)

	Accumulated surplus	Total
Surplus for the period	<u>7,732,799</u>	<u>7,732,799</u>
Balances on December 31, 2022	<u>7,732,799</u>	<u>7,732,799</u>

The explanatory notes are an integral part of the financial statements.

Explanatory notes to the financial statements

(Stated in Real: BRL or R\$)

1. Operating context

The Assaí Institute (the “Institute”) is the social branch of the corporation known as Sendas Distribuidora S.A. (“Assaí”) and was established on March 10, 2022, headquartered at Avenida Aricanduva, 5555, Jardim Santa Terezinha district (East Zone), Zip code 03527904, in the capital city of Sao Paulo, State of Sao Paulo (Brazil).

The Institute is dedicated to fostering education, social support and transformation, culture and sustainable development, which will ultimately provide individuals and communities with opportunities for their social and economic growth in line with sustainability principles.

To reach its purpose, the Institute will act through executing projects, programs, and action plans, donating physical, human, and financial resources, and offering paid or voluntary services, including helping other non-profit organizations and public sector bodies operating in related fields.

2. Preparation basis

a. Statement of compliance

The financial statements were prepared under accounting practices adopted in Brazil and applicable to small and medium-sized businesses.

On May 10, 2023, the Board of Executive Officers gave the consent for the financial statements to be issued.

b. Measurement basis

The financial statements have been prepared on the historical cost basis.

c. Functional currency and currency of these statements

These financial statements are stated in Brazilian Real, which is the functional currency of the Institute. All financial information is stated in Reals and has been rounded to the nearest thousand, unless otherwise stated.

d. Use of estimates and judgments

The preparation of these financial statements under the accounting practices adopted in Brazil requires that the Management makes judgments, estimates, and assumptions that affect the application of accounting policies and the amounts

reported for assets, liabilities, revenues, and expenses. Actual results may differ from those estimates.

Estimates and assumptions are reviewed continuously. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected.

Judgments

The financial statements are bereft of data on judgments associated with accounting policies that affect the amounts referred to herein.

3. Main accounting practices

a. Financial instruments

(i) Non-derivative financial assets and liabilities: recognition and derecognition

The Institute recognizes loans and receivables initially on the date they were originated. All other financial assets and liabilities are recognized initially at the date of negotiation in which the Institute becomes a party to the contractual provisions of the financial instrument.

The Institute has its non-derivative financial assets and liabilities recorded at amortized cost or at their fair value through profit or loss.

(ii) Non-derivative financial assets: measurement

Financial assets accounted for at fair value through the profit or loss

A financial asset is classified at fair value through profit or loss if it is classified as being held for trading and is designated as such upon initial recognition. Financial assets are designated at fair value through profit or loss if the Institute manages such investments and makes purchase and sale decisions based on their fair values under the Institute's documented risk management and investment strategy. Transaction expenses, after their initial recognition, are recognized in income as incurred. Financial assets recorded at fair value through profit or loss are measured by the fair value, and changes in fair value of such assets are recognized in the income for the fiscal year.

Cash and cash equivalents

Cash and cash equivalents are cash balances and financial investments with an original maturity of three months or less, starting from the contracting date, which are subject to insignificant risk of change in value and are used in the management of short-term obligations.

(iii) Non-derivative financial liabilities

Financial liabilities are initially recognized on the trading date on which the Institute becomes a party to the contractual provisions of the instrument. The

Group writes off a financial liability when its contractual obligations are withdrawn, canceled, or expired.

The Institute has the following non-derivative financial liabilities: suppliers.

Such financial liabilities are recognized initially at fair value plus any attributable transaction costs. After their initial recognition, these financial liabilities are measured at amortized cost using the effective interest rate method.

b. Operating revenue

The Institute receives donations from businesses, organizations and individuals that support voluntarily the work carried out by the Institute, and are recognized at the time the ownership of the donated goods or services is transferred.

c. Financial revenues and expenses

Financial revenues comprise income from financial investments. Financial expenses comprise substantially bank expenses.

d. Calculation of the surplus (deficit) for the year

The surplus (deficit) for the year is calculated under the accrual basis of accounting. The surplus for the year will be incorporated into the Institute's equity (social equity) under the legal and statutory requirements, since the surplus will be fully applied in the national territory for the maintenance and development of its non-profit purposes.

e. Revenues from voluntary work and in-kind donations of services/ materials

As set forth in the ITG 2002 Interpretation (R1): Non-Profit Organization, the Institute accounts for revenues from voluntary work, including from members of bodies making part of the Management, which are accounted for at their fair value, considering the amounts that the Institute would pay if it contracted these services in a similar market. Revenues from voluntary work and in-kind donations are recognized in profit or loss for the year against operating expenses also in profit or loss for the year.

4. Cash and cash equivalents

	<u>2022</u>
Cash and bank deposits	10
Financial investments	<u>7.771.409</u>
	<u>7.771.419</u>

As of December 31, 2022, Banco Itaú's fixed-income financial investment in Bank Deposit Certificate (CDB) was remunerated at the average annual rate of 80% of the Interbank Deposit Certificate (CDI).

Financial investments are usually short-term, high-liquidity, easily convertible to a recognizable cash amount, and are subject to very low risk of change in value.

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Statements on December 31,
2022**

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2022**



5. Related parties

a. Contributions from members

According to the Institute's Charter, the sources of funds come from the contributions of its members. In addition, when approved by members, there are payments for expenses with extraordinary events or calls.

Contributions are linearly split and accounted for monthly. As approved by the Board of Officers, since the Institute was established, payments of contributions are made in the current month.

In the year ended December 31, 2022, members donated the amount of R\$ 10,000,000 as contributions.

a Compensation to Key Management Personnel

The Institute does not pay any compensation to the members of the Board of Officers or to its CEO. The services provided by the key Management personnel are accounted for and recorded as voluntary work, as mentioned in the explanatory note 3.h.

The Institute does not distribute portions of equity or income for any reason whatsoever, and applies fully in Brazil the funds intended for the maintenance of its activities.

6. Provision for contingencies

The Institute, in the normal course of its activities, is subject to tax, labor, and civil lawsuits. The Management, based on the opinion of its legal advisors, and, when applicable, based on specific opinions issued by experts on the same date, assesses the expectation of the outcome of the ongoing lawsuits and determines whether or not it needs to set up a provision for contingencies.

As of December 31, 2022, the Institute had no pending civil, labor, or tax lawsuits with a risk of probable and/or possible loss.

7. Net Equity

The Institute's equity is formed by the surpluses (deficits) accumulated in each year.

Contributions donated by members in the year are used for the Institute's social purposes as referred to in the explanatory note number 1. The surplus for the year, if any, will be transferred to the equity account after being approved by the General Meeting of Members, according to the legal and statutory requirements in force.

8. Revenue from the supporting entity

	<u>2022</u>
Membership contribution	10,000,000
(-) ICTMD (Tax levied on goods inherited for death or donation)	<u>(405,000)</u>
	<u>9,595,000</u>

The Institute has as its main supporting entity the corporation Sendas Distribuidora S.A.

9. In-kind donations and volunteer work

As set forth in the ITG 2002 Interpretation (R1), the Institute accounts for revenues from voluntary work, including from members of bodies making part of the Management, which are accounted for at their fair value, considering the amounts that the Institute would pay if it contracted these services in a similar market. The Assaí Institute also recognizes the donations of services received at the fair value of services provided as if a financial disbursement had occurred.

	<u>2022</u>
Food (a)	628,944
Volunteers (b)	<u>445,097</u>
	<u>1,074,041</u>

10. Expenses with third parties' services

	<u>2022</u>
Advisory (a)	(964,459)
Consulting (b)	(340,712)
Legal	(67,500)
Other services taken	(37,400)
Lectures	(29,200)
Accounting	(16,550)
Others	<u>(11,693)</u>
	<u>(1,467,514)</u>

(a) Advisory and consulting services were retained especially to establish and launch the Institute. Accomplishment of the 2022 Academy Award; support to develop projects (within the Institute's areas of activity); impact assessment of the Assaí Academy; creation of brands; and also for preparing the Institute's annual report.

11. Administrative expenses

	<u>2022</u>
Marketing	(126,621)
Travel	(83,850)
Software use / rental license	(58,028)

Snacks and meals	(24,641)
Other	<u>(5,447)</u>
	<u>(298,587)</u>

12. Other operating expenses

**Consolidated Financial
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	<u>2022</u>
Donation to entrepreneurs (a)	(133,000)
Accommodation for pets (b)	(43,200)
Basic food staples	(28,000)
Other	<u>(9,700)</u>
	<u>(213,900)</u>

13. Financial result

	<u>2022</u>
Financial Revenue	
Income from financial investments	147,946
Financial expenses	
Bank expenses and other expenses	(24,033)
Financial result, net	<u>(123,914)</u>

14. Tax waiver

Pursuant to Law 9.532/97 and amendments performed by Law 13.204/15, the Institute is exempt from income tax and social contribution, as well as from the Social Integration Program (PIS) and the Contribution to Social Security Financing (COFINS) levied on the Institute's own revenues from its core activities, as described in Provisional Measure 2.185-35, article 14, item X.

The Institute, because of the aforementioned tax exemptions, is required to pay only PIS at the rate of 1% on payroll, Severance and Indemnity Fund (FGTS), and National Institute of Social Security (INSS), as well as taxes withheld on payroll or contracted services.

In compliance with NBC ITS 2002 (R1) accounting standard, approved by CFC Resolution No. 1.409/12, the Institute states below the list of taxes making part of the tax waiver benefit for the year ended on December 31, 2022. For this, in the Institute's judgment, the following taxes, contributions and corresponding rates were considered:

- Incidents on revenue: Service Tax (ISS), PIS, and COFINS, by the cumulative regime.
- Incidents on the surplus for the year: Corporate Income Tax (IRPJ) and Social Contribution on Net Income (CSLL).

15. Financial instruments

The Institute maintains operations with financial instruments. Strategies and internal controls are employed to guarantee liquidity, profitability, and security of

**Consolidated Financial
Statements on December 31,
2022**

such instruments. The results got from these operations are consistent with the policies and strategies defined by the Institute's Management.

All transactions with financial instruments are stated in the Institute's financial statements, which is subject to the risk factors described below:

Credit risk

It arises from the possibility of the Institute having losses arising from default of the financial entities that are depositary of its financial funds or investments. To mitigate these risks, the Institute adopts the practice of not making speculative investments, in derivatives or in any other risk asset, and has as internal controls the continuous monitoring of the profitability and liquidity of its investments.

	Note	<u>2022</u>
Cash and cash equivalents	4	<u>7,771,419</u>
		<u>7,771,419</u>

* * *

Sandra Camargo Vicari
Executive Officer

Vanessa Rabeca
CRC ISP334242/O-2
Accountant

Credits

Project coordination:

Assaí Institute

Project Management, Content Curation, Writing:

Global Conteúdo Estratégico

Graphic design and layout:

Fábio Francisco

Photography:

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Filipe Photos

If you have any questions, comments, or suggestions about the 2022 Annual Report of the Assaí

Institute: institutoassai@institutoassai.org.br

institutoassai.org.br



academiaassai.com.br



