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## 1. PURPOSE

The purpose of this document is to present and direct the strategy of any and all social investments by Assaí and present the guidelines for action and application of financial, human, and material resources, with the goal of directly benefiting society in line with the priorities listed by the Company.

## 2. GUIDELINES

### 2.1. Private Social Investment (PSI) Principles and Strategies

2.1.1. The [PSI](#) strategy is based on the commitment of Assaí to promoting more inclusive and fair opportunities that impact and contribute to the development of people and communities through initiatives focused on entrepreneurship, food security, and sports, either autonomously or in partnerships.

### 2.2. Context

2.2.1. The Company commitment and operating model of the Company is to be a mobilizing agent in the construction of a new social, environmental, and governance agenda for a more responsible and inclusive society. In this regard, the Company understands [Private Social Investment \(PSI\)](#) as critical to strengthen, leverage, and create actions that contribute to sustainable development and to a positive social impact.

2.2.2. In order to achieve its social purpose and carry out activities and projects of public interest, voluntary resources and/or resources [arising from tax incentives](#) are transferred. This Policy guides such transfers and PSI actions in a planned, strategic, and monitored manner.

### 2.3. Action and Focus

2.3.1. Assaí detects how, where, and in what manner it will act after defining its action strategy, which is designed and revised, when necessary, based on an understanding of the current context and the challenges of society, always in line with the [Sustainable Development Goals \(SDGs\)](#), with the trends observed in [materiality](#), and in the business strategies of the Company.

2.3.2. The Company seeks to generate impact in the medium and long term based on an understanding the expectations and interests of our stakeholders, which is done through extensive engagement work involving surveys, interviews, and consultations on priority topics for strategic planning and development of the business.

2.3.3. All activities of Instituto Assaí activities shall be carried out in full compliance with the provisions of its Bylaws, subject to the principles of ethics, legality, impersonality, morality, publicity, economy, efficiency, social and environmental responsibility, and universalization of services.

## **2.4. Target Audience**

2.4.1. The Target Audience of the social investment actions of Assaí is society, particularly communities in situations of social vulnerability and other audiences, primarily the communities surrounding our operations and micro and small entrepreneurs in the food industry.

## **2.5. Geographic Location**

2.5.1. Assaí is a company that operates throughout the national territory, seeking to strengthen and generate value for the entire Brazilian society.

2.5.2. The Company values the primary role of local actors and the strengthening of civil society, seeking, whenever possible, to concentrate its investments in regions where it has operations.

## **2.6. Criteria for Contribution of Resources**

2.6.1. The resources contributed to Private Social Investment initiatives may come from own resources and/or incentives and/or partnerships.

2.6.2. When an entity is benefited, it must satisfy the following eligibility criteria:

- (i) Being located in the city(ies) within the perimeter(s) established as the focus of action;
- (ii) Having been incorporated in Brazil under Brazilian law and having its headquarters in the national territory;

- (iii) Having been legally incorporated;
- (iv) Being in compliance with its tax obligations;
- (v) Being enrolled with the National Corporate Taxpayers Register (CNPJ);
- (vi) Being a non-profit and non-partisan organization that executes one or more social programs relating to the topics listed as strategic for the activities of Instituto Assaí;
- (vii) Having technical capacity;
- (viii) Complying with the labor laws in force and respecting employment relationships;
- (ix) Having an active, transparent, and ethical governance structure;
- (x) Respecting the rights of all people, regardless of race, color, sex, sexual orientation, language, religion, political or other opinion, national or social origin, wealth, birth, or any other status; and
- (xi) Timely submitting the documentation required for Registration with Instituto Assaí.

2.6.3. Likewise, for the respective contributions, characteristics such as the following shall be taken into account:

- (i) The need of the community/entity to be benefited;
- (ii) The power of social transformation to be generated;
- (iii) Respect to and appreciation and participation of the potential that already exists in the community;
- (iv) Potential for multiplication in other communities; and
- (v) The progressive sustainability of the project, avoiding the creation of dependency between Instituto Assaí and the institution/community.

## **2.7. Financial Resources**

- 2.7.1. The funds allocated to PSI shall be defined annually within the scope of the Strategic Planning of Assaí and Instituto Assaí and approved by the Decision-Making Board of Instituto Assaí and/or by the Sustainability Committee of Assaí, in accordance with their bylaws and regulations.
- 2.7.2. The Executive Board of Instituto Assaí shall be responsible for the management and governance of such resources, in line with its approved strategic planning.
- 2.7.3. The use of Tax Incentives shall not be mandatory; however, they may be used when applicable under the policies and regulations thereon. Instituto Assaí shall, in order to act with transparency, indicate when such use occurs.

## **2.8. Incentivized Resources**

- 2.8.1. For social investments of resources deriving from tax incentives, the guidelines contemplated in the Code of Ethics and in the Policy on Donations, Contributions, and Sponsorships of Assaí shall also be followed and complied with.

## **2.9. Allocation of Resources**

- 2.9.1. Instituto Assaí shall, in order to achieve its purpose, act autonomously through direct execution of projects, programs, or action plans, donation of physical human and financial resources, and provision of services, including support to other non-profit organizations and to government entities engaged in similar areas, among other related activities.
- 2.9.2. Financial resources shall be allocated to projects, programs, or action plans defined and coordinated by Instituto Assaí.

## **2.10. Approval, Responsibilities, and Management**

- 2.10.1. Instituto Assaí shall be responsible for managing PSI resources through permanent monitoring and assessment of supported projects, programs, and initiatives.

2.10.2. It shall carry out a third-party audit of financial and non-financial results and shall ensure transparency to its results through its website, Annual Report, and annual publications.

## **2.11. Engagement and Relationship with Stakeholders**

2.11.1. Assaí maintains constant dialogue and engagement, in an open and transparent manner, with its different stakeholders, including employees, shareholders, consumers, suppliers, the community, governmental authorities, and organized civil society. All communications are carried out based on the Policy on Corporate Communications and Relationship with the Community and Stakeholders.

2.11.2. Dialogue and communication channels with [relationship audiences](#) include, when relevant, participation in forums and groups (i.e. Boards, Committees, or the like) to discuss topics relating to the strategy of Assaí and to local development.

2.11.3. Fostering a close relationship with the various audiences is essential for the social action of Assaí, as it enables the identification of opportunities, the definition of social investment priorities, the search for innovative solutions, and the detection of flaws or improvements in processes, products, and projects.

## **2.12. Relationship with the Community**

2.12.1. All actions of Assaí are premised on generating value and positively impacting society, particularly the communities in which its businesses are located, encouraging sustainable development in the surroundings.

2.12.2. Assaí identifies and assesses, whenever possible, the existing impacts and challenges in the communities where its operations are established for the purpose of establishing a relationship that can contribute to avoid, mitigate, minimize, and/or remediate such impacts, articulating, when necessary, with other partners in order to contribute to territorial development, and ensuring the effectiveness of dialogue channels.

2.12.3. The entire engagement and relationship process is based on the UN Guiding Principles on Business and Human Rights, ensuring that complaints from communities and from all stakeholders are appropriately responded to and managed through the service channels maintained by Assaí. In addition, the Company monitors the effectiveness of all actions implemented and procedures adopted and discloses the results in its Annual and Sustainability Report and other relevant publications.

## **2.13. Disclosure of Results**

2.13.1. The results shall be disclosed through the Assaí Annual and Sustainability Report and other annual publications, as well as at events, seminars, best practice groups, and other forums in which the Instituto Assaí or Assaí itself participates.

## **2.14. Assessment, Indicators, and Targets**

2.14.1. The private social investment of Assaí shall be managed and periodically monitored according to indicators and targets defined in a clear, measurable, tangible, and strategic manner.

2.14.2. Accordingly, the social projects comprising the Private Social Investment portfolio of Assaí shall have monitoring indicators and targets, and their results and employed resources shall be frequently monitored, assessed, and reported/disclosed in accordance with transparency practices.

## **2.15. Whistleblowing Channel**

2.15.1. Failure to comply with the rules and guidelines established herein may be regarded as a severe fault and may be subject to the application of sanctions based on all Policies and on the Code of Ethics of Assaí.

2.15.2. As a whistleblowing channel and official tool for receiving complaints, grievances, and reports of violations of and non-compliance with this Policy, Assaí provides the **Ombudsman Channel** to its employees, customers,

suppliers, subsidiaries, social institutions, and external audience with business and institutional relationships with the Company.

2.15.3. The purpose of this channel is to investigate and properly address all incidents, ensuring adherence to and coherence with the ethical, institutional, and universal values of the relationship of Assaí with its stakeholders.

2.15.4. Violations of this Policy, of the Code of Ethics of the Company, or of any item in the Supplier Ethics Letter can be reported through the channel at [ouvidoria@assai.com.br](mailto:ouvidoria@assai.com.br). Each complaint shall be investigated confidentially and, if the whistleblower so wishes, anonymously.

2.15.5. **Contact:**

- 0800 777 3377
- [ouvidoria@assai.com](mailto:ouvidoria@assai.com)
- <https://assai.com.br/ouvidoria>

## **2.16. Policy Updating**

2.16.1. This Policy is valid for an indefinite term, without prejudice to the provisions contained therein, Assaí reserves the right to revise it as often as it sees fit.

## **3. REFERENCES**

**3.1. The following are an integral part of this Policy:**

3.1.1. Code of Ethics.

3.1.2. Our Private Social Investment use as a reference, among others, without limitation:

3.1.2.1. Principles of the United Nations (UN);

3.1.2.2. Guiding Principles on Business and Human Rights (UN);

3.1.2.3. 17 Sustainable Development Goals (UN SDGs); and

3.1.2.4. The Regulations under the Law on Civil Society Organizations of Public Interest (OSCIP Law) – OSCIP Law.

- ✓ Note: For any cases not covered by this Policy, please read the other corporate policies of Assaí on our website at [www.assai.com.br](http://www.assai.com.br).

#### 4. DEFINITIONS

- 4.1. Private Social Investment (PSI):** Means the voluntary transfer of private resources, in a planned and monitored manner, to social, environmental, and cultural programs and projects of public interest.
- 4.2. Instituto Assaí:** Means the social arm of the Company, which, for the purposes of this Policy, is responsible for defining and implementing the social investments of Assaí in strict compliance with all applicable laws, as well as with other corporate policies, rules, and procedures in force.
- 4.3. Incentivized resources or resources arising from tax incentives:** Means resources obtained through an application submitted by the proponent to the body in charge of the tax incentive in order to obtain the benefits set forth in the relevant specific laws. Projects under the Culture Incentive Law must be supported by a “Notice of Patronage” and undergo an assessment by the Tax Office regarding the tax deductibility limits for income tax or other taxes.
- 4.4. Relationship audiences:** Means the interested parties or stakeholders, also known as strategic audiences, i.e. all relevant audiences with interests that are of concern to Assaí, or individuals or entities that directly or indirectly assume any type of risk in the face of society. The following are included: shareholders, employees, the community, customers, suppliers, governmental authorities, and non-governmental organizations.
- 4.5. Sustainable Development Goals (SDGs):** Means a global call to action to end poverty, protect the environment and climate, and ensure that people everywhere can enjoy peace and prosperity so that we can achieve the 2030 Agenda proposed by the UN (United Nations).
- 4.6. Materiality:** Means, in the context of sustainability, the basis for identifying the priority agendas for the actions, investments, and management of externalities,

risks, and opportunities of the Company. An organization must know and manage relevant information on aspects that, due to their impacts (whether positive or negative), risks, or opportunities, are a priority in its activity and, therefore, must be regarded as essential in strategic decisions and in management, operation, communication, and reporting processes. Any aspects that can significantly impact and/or influence assessments and decisions of the management of the Company or of its stakeholders are regarded as material.

