CARREFOUR INVESTOR DAY

“L’EXPÉRIENCE OMNICANALE CARREFOUR”

April 26, 2017
Agenda

9:00 AM – 10:30 AM
• Opening remarks
• Introduction
• Multiformat & Omnichannel model
• Q&A session

10:30 AM – 10:45 AM
• Break

10:45 PM – 12:20 AM
• CRM & Data
• Supply Chain
• Q&A session
• Closing remarks

12:20 AM – 2:00 PM
• Lunch, with demos of products, solutions and concepts

2:00 PM – 6:00 PM
• Store tour
Plan

01. Introduction: The empowered consumer

02. Rolling out Carrefour’s Multiformat & Omnichannel model

03. Using CRM & data to engage with customers

04. Deploying an adapted supply chain

05. Conclusion
01. Introduction: The empowered consumer

Bernard Buono
Advisor to the Chairman & CEO on Strategic Marketing
RETAIL IS NO LONGER ONLY ABOUT PRODUCTS ON SHELVES
Customers’ want more, better, seamless and at the right price

THE NAME OF THE GAME IS CONSUMER EMPOWERMENT
ON FOOD, CONSUMERS NEED TRANSPARENCY & COMMITMENTS

63% care about the origin of the products they purchase

67% want fewer preservatives and coloring agents

60% want local brands & fresh products

86% think that transparency in companies is important

Source: Havas / Nielsen / PWC / Kantar
These commitments are becoming the new standard of quality
Trust in quality and commitments brings client loyalty
CONSUMERS NEED MORE CARING, MORE RELATIONSHIP

The new consumer: Older, more urban, more digitized, more mobile

<table>
<thead>
<tr>
<th>Percentage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>17%</td>
<td>&gt; 65 years old in 2050 vs 8.5% today</td>
</tr>
<tr>
<td>66%</td>
<td>Urbanisation rate in 2050 (vs. 54% in 2014)</td>
</tr>
<tr>
<td>x7</td>
<td>Digital penetration between 2000 and 2016</td>
</tr>
<tr>
<td>34%</td>
<td>Use mobile devices to make purchases</td>
</tr>
<tr>
<td>58%</td>
<td>Shop online for 24/7 availability</td>
</tr>
<tr>
<td>50%</td>
<td>50% of millennials in the active population in 2020</td>
</tr>
</tbody>
</table>

Source: Havas / Nielsen / PWC / Kantar
RETAILERS NEED TO TAILOR THE CUSTOMER EXPERIENCE

CONVENIENT, SEAMLESS

I want it MY way, at MY time and at MY place

ENJOYABLE

In-store & online
I want to have a PLEASANT SHOPPING EXPERIENCE
“THE REFERENCE IN FOOD RETAIL, MULTIFORMAT & OMNICHANNEL”
01. Introduction: The empowered consumer

02. Rolling out Carrefour’s Multiformat & Omnichannel model

Pascal Clouzard
Executive Director,
Carrefour Spain

Anne-Laure Klein
Group Strategy Director

Hervé Parizot
Executive Director,
E-commerce & Customer Data,
Carrefour France
01. Introduction: The empowered consumer

02. Rolling out Carrefour’s Multiformat & Omnichannel model

- Multiformat & Omnichannel
  Illustration Digital France
  Financials
EACH FORMAT HAS A SPECIFIC MISSION

Hypermarkets: 51% Sales
- Everything under one roof at a competitive price

Supermarkets: 25% Sales
- Choice close to home with a focus on fresh

Convenience: 10% Sales
- Essential daily needs with extended shopping hours

Cash & Carry: 13% Sales
- Wholesale prices for a no-frills experience

E-commerce: 1% Sales
- The broadest assortment at any time, any place on any device
HYPERMARKETS
EVERYTHING UNDER ONE ROOF AT A COMPETITIVE PRICE

- Carrefour’s historical format
- New hypermarket concepts tested in all geographies
- Renewed offer – attractive and powerful
- Gradually becoming more urban, as cities expand

100,000 SKUs

1,328 stores

7,345 Average Sqm

51€ Average basket (France)
SUPERMARKETS
CHOICE CLOSE TO HOME WITH A FOCUS ON FRESH

- Dedicated to food
- “Clusterizing” to better address local needs
- 4 clusters: Gourmet, Attraction, Urban, Discount
- Successful cross-fertilization across countries

20,000 Average SKUs
28€ Average basket (Belgium)
3,227 stores
1,319 Average Sqm
SUPERMARKETS
ILLUSTRATION: VIDEO MARKET GOURMET - ITALY
CONVENIENCE
ESSENTIAL DAILY NEEDS WITH EXTENDED SHOPPING HOURS

- Format in constant evolution, adapting to changing social and consumption trends
- On top of generalist stores, multiple tests of specialized convenience concepts across countries (organic stores, etc.)
- Last 2 countries to launch convenience format: Brazil and China, well received by consumers

6,500 Average SKUs
12€ Average basket (Italy)
7,075 stores
255 Average Sqm
CONVENIENCE
ILLUSTRATION: VIDEO CARREFOUR EASY - CHINA
CASH & CARRY
WHOLESALE PRICES FOR A NO-FRILLS EXPERIENCE

- B2B pure play activities in France (Promocash) and Italy (Docks and Gross Iper)
- Hybrid B2B/B2C: Atacadão is a winning model in Brazil
- Successful cross-fertilization based on Atacadão in other countries: Maxi in Argentina and initial Supeco in Spain

- Average SKUs: 8,000
- Average Sqm: 4,121
- Average basket (Atacadão): 59€
CASH & CARRY
ILLUSTRATION: VIDEO ATACADÃO
# MULTIFORMAT PROGRESSIVELY ROLLED OUT IN ALL OUR COUNTRIES

<table>
<thead>
<tr>
<th>Country</th>
<th>Hypermarket</th>
<th>Supermarket</th>
<th>Convenience</th>
<th>Cash &amp; Carry</th>
<th>eService</th>
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</thead>
<tbody>
<tr>
<td>France</td>
<td>![France Logo]</td>
<td>![France Supermarket Logo]</td>
<td>![France Convenience Logo]</td>
<td>Promocash</td>
<td>![France eService Logo]</td>
</tr>
<tr>
<td>Spain</td>
<td>![Spain Logo]</td>
<td>![Spain Supermarket Logo]</td>
<td>![Spain Convenience Logo]</td>
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<td></td>
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<tr>
<td>Italy</td>
<td>![Italy Logo]</td>
<td>![Italy Supermarket Logo]</td>
<td>![Italy Convenience Logo]</td>
<td></td>
<td></td>
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<tr>
<td>Belgium</td>
<td>![Belgium Logo]</td>
<td>![Belgium Supermarket Logo]</td>
<td>![Belgium Convenience Logo]</td>
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<tr>
<td>Poland</td>
<td>![Poland Logo]</td>
<td>![Poland Supermarket Logo]</td>
<td>![Poland Convenience Logo]</td>
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<td>Romania</td>
<td>![Romania Logo]</td>
<td>![Romania Supermarket Logo]</td>
<td>![Romania Convenience Logo]</td>
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<td>Argentina</td>
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<td>![Argentina Convenience Logo]</td>
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<td></td>
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<tr>
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<td>![Brazil Convenience Logo]</td>
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<td></td>
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<td>![China Logo]</td>
<td>![China Supermarket Logo]</td>
<td>![China Convenience Logo]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taiwan</td>
<td>![Taiwan Logo]</td>
<td>![Taiwan Supermarket Logo]</td>
<td>![Taiwan Convenience Logo]</td>
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**Other services:** Travel, leisure, ticketing, car rental

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02. ROLLING OUT CARREFOUR’S MULTIFORMAT & OMNICHANNEL MODEL

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CARREFOUR’S CENTER OF GRAVITY IS SHIFTING TOWARDS MULTIFORMAT

**Breakdown of stores under banners by format**

<table>
<thead>
<tr>
<th>Year</th>
<th>Convenience</th>
<th>Supermarkets</th>
<th>Hypermarkets</th>
<th>Cash &amp; Carry</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>5,479</td>
<td>1,366</td>
<td>1,328</td>
<td>164</td>
</tr>
<tr>
<td>2016</td>
<td>7,075</td>
<td>2,986</td>
<td>3,227</td>
<td>305</td>
</tr>
<tr>
<td>2019e</td>
<td>9,000</td>
<td>3,700</td>
<td>1,450</td>
<td>305</td>
</tr>
</tbody>
</table>

**Gross sales breakdown (%)**

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<tr>
<th>Year</th>
<th>Hypermarkets</th>
<th>Other formats</th>
</tr>
</thead>
<tbody>
<tr>
<td>2012</td>
<td>58%</td>
<td>&lt;50%</td>
</tr>
<tr>
<td>2016</td>
<td>51%</td>
<td>&lt;50%</td>
</tr>
<tr>
<td>2019e</td>
<td>&gt;50%</td>
<td>&lt;50%</td>
</tr>
</tbody>
</table>

Evolution 2012 vs. 2019e

- Hypermarkets: +64%
- Other formats: +6%
- Gross sales: +24%

**Growth in number of stores**

-先天2012: 9,995 stores
-先天2016: 11,935 stores
-先天2019e: 14,500 stores

Evolution:

- 2012 vs. 2019e: +100%
- 2012 vs. 2016: +6%
- 2016 vs. 2019e: +24%
E-COMMERCE, AN ADDITIONAL FORMAT AND A COMPLEMENTARY SERVICE
## RAPID ROLLOUT OF E-COMMERCE THROUGHOUT THE GROUP

<table>
<thead>
<tr>
<th></th>
<th>FRANCE</th>
<th>SPAIN</th>
<th>ITALY</th>
<th>BELGIUM</th>
<th>POLAND</th>
<th>ROMANIA</th>
<th>ARGENTINA</th>
<th>BRAZIL</th>
<th>CHINA</th>
<th>TAIWAN</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>FOOD</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td><strong>In progress</strong></td>
<td>2017</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Home delivery and/or Click &amp; Collect</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td></td>
<td>✓</td>
<td>✓</td>
</tr>
<tr>
<td><strong>NON-FOOD</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Direct offer</td>
<td>✓</td>
<td>✓</td>
<td>2017</td>
<td>2017</td>
<td>✓</td>
<td>✓</td>
<td>✓</td>
<td>(✓)</td>
<td>✓</td>
<td>(✓)</td>
</tr>
<tr>
<td>Marketplace</td>
<td>✓</td>
<td>✓</td>
<td><strong>In progress</strong></td>
<td><strong>In progress</strong></td>
<td><strong>In progress</strong></td>
<td><strong>In progress</strong></td>
<td><strong>Under study</strong></td>
<td>✓</td>
<td><strong>In progress</strong></td>
<td><strong>Under study</strong></td>
</tr>
</tbody>
</table>
2020 E-COMMERCE PROSPECTS

GROSS MERCHANDISE VOLUME

€1.2bn in 2016

€4bn 2020 target

Target x3
STORE BASED OMNICHANNEL MODEL: UNIQUE OPPORTUNITY TO ENSURE E-COMMERCE SUSTAINABILITY

OPERATIONAL MODEL FOR ORDER MANAGEMENT

- Store-picking across formats (hypermarts, supermarkets, convenience)
- Mixed model: store + dedicated picking space
- Warehouse or dark store (with or without automation)

CONSUMER CHOICES FOR ORDER COLLECTION

- Home delivery
- Click & collect in store
- Pick-up points (lockers etc.)
CARREFOUR’S OMNICHANNEL TRANSFORMATION APPROACH

Each country adapts the framework to its market conditions on the basis of key pillars.

Technology
- Big Data
- IoT
- API, agile

Digital marketing

Omnichannel Supply Chain

eCommerce

Data, CRM, Hyper-customization

HR & cultural transformation
OMNICHANNEL CAMPAIGN
CARREFOUR SPAIN

02. ROLLING OUT CARREFOUR’S MULTIFORMAT & OMNICHANNEL MODEL
BENEFITS OF OMNICHANNEL FOR CARREFOUR

“Own” the customer in our ecosystem

Increase in expenditure and frequency of existing customers

(Re)Gain customers

Rejuvenate customer base
OMNICHANNEL ALLOWS CARREFOUR TO BETTER MEET CUSTOMER NEEDS
CARREFOUR’S VAST ECOSYSTEM FAVORS CUSTOMER “OWNERSHIP”

Whenever you want
24 hours • 7 days

Fresh food • Gourmet
Organic • Wine cellar
Game & Sports • Baby
TV • Sound • Photo • Textile
Technology • Appliance
...

Whatever you want

Wherever you want

However you want

02. ROLLING OUT CARREFOUR’S MULTIFORMAT & OMNICHANNEL MODEL
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MULTIFORMAT: A PROVEN TRACK RECORD IN REVENUE UPLIFT

MULTIFORMAT CLIENTS SPEND MORE

- Hypermarkets: 1.0x
- Supermarkets: 1.9x
- Convenience: 1.8x
- Combined: 2.5x

A multi-format customer is more loyal to Carrefour.

- Italy multiformat store network:
  - 57 Hypermarkets
  - 416 Supermarkets
  - 588 Convenience
  - 13 Cash & Carry

30% of customers are multi-format.

Multiple bases on the average annual spend of Carrefour loyalty card holders (base 1x on hypermarkets).
INCREASE IN EXPENDITURE AND FREQUENCY OF EXISTING CUSTOMERS

Every store visit provides another opportunity for an omnichannel player (vs. a pure player) to generate additional sales

<table>
<thead>
<tr>
<th>NET SALES PER OMNICHANNEL CAPABILITIES</th>
<th>For $100 bought online</th>
<th>Initial purchase value</th>
<th>Return/ exchange loss</th>
<th>Pick-up recoup</th>
<th>Returns recoup</th>
<th>Net sales</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pure play Ecommerce</td>
<td>$100</td>
<td>▼ - $23</td>
<td>n/a</td>
<td>n/a</td>
<td></td>
<td>$77</td>
</tr>
<tr>
<td>Buy online, return in-store</td>
<td>$100</td>
<td>▼ - $23</td>
<td>n/a</td>
<td>▲ + $18</td>
<td></td>
<td>$95</td>
</tr>
<tr>
<td>Buy online, pickup + return in-store</td>
<td>$100</td>
<td>▼ - $23</td>
<td>▲ + $12</td>
<td>▲ + $18</td>
<td></td>
<td>$107</td>
</tr>
</tbody>
</table>

Source: L2 – Estimates based on US retail
OMNICHANNEL ALLOWS US TO (RE)GAIN CUSTOMERS

Based on a sample of 15,017 customers

Reactivation of lost customers

- 27% were former customers
- 24% went back to being regular customers

Increase loyalty

- 27% were occasional customers
- Increased frequency by 60%
- Increased average basket by 56%

Incremental online sales

- 46% were regular customers
- +10% on average

CLICK & COLLECT CUSTOMERS PICKING THEIR ONLINE ORDER IN A HYPERMARKET
### Average Age of Carrefour Customers by Format (2011-2016)

<table>
<thead>
<tr>
<th>Year</th>
<th>Carrefour Hypermarket</th>
<th>Carrefour Market</th>
<th>Carrefour online Grocery</th>
<th>Carrefour online Non-Food</th>
</tr>
</thead>
<tbody>
<tr>
<td>2011</td>
<td>102,1</td>
<td>100,0</td>
<td>88,4</td>
<td>102,1</td>
</tr>
<tr>
<td>2012</td>
<td>104,5</td>
<td>101,4</td>
<td>85,4</td>
<td>101,4</td>
</tr>
<tr>
<td>2013</td>
<td>107,7</td>
<td>102,5</td>
<td>84,7</td>
<td>102,5</td>
</tr>
<tr>
<td>2014</td>
<td>108,9</td>
<td>103,3</td>
<td>84,4</td>
<td>103,3</td>
</tr>
<tr>
<td>2015</td>
<td>109,3</td>
<td>103,5</td>
<td>84,4</td>
<td>103,5</td>
</tr>
<tr>
<td>2016</td>
<td>105,3</td>
<td>100,4</td>
<td>84,5</td>
<td>100,4</td>
</tr>
</tbody>
</table>

*Index*

100 = average age of Carrefour Hypermarket customers in 2011
L2 BENCHMARKED CARREFOUR ACROSS 3 COUNTRIES IN 2016

SITE & E-COMMERCE
35%
- Technology
- Search & navigation
- Customer service & store locator
- Product pages
- E-commerce & omnichannel
- Accounty & loyalty

DIGITAL MARKETING
35%
- Search
- Advertising
- Email marketing

SOCIAL MEDIA
10%
- Facebook
- Instagram
- YouTube
- Twitter

MOBILE
20%
- Smartphone experience
- Mobile search
- Mobile advertising
- Mobile apps

Five Categories Based on Digital IQ Index® Score

- GENIUS
  - 140+
- GIFTED
  - 110–139
- AVERAGE
  - 90–109
- CHALLENGED
  - 70–89
- FEEBLE
  - <70
THE 3 COUNTRIES MADE IT INTO THE TOP 15 IN EUROPEAN BIG BOX RETAIL

Carrefour rated as ‘Gifted’ in all 3 countries

« F » : food retailers

02. ROLLING OUT CARREFOUR’S MULTIFORMAT & OMNICHANNEL MODEL
SPAIN: FULL ECOSYSTEM ROLLED OUT

Newly designed and responsive shoppable website
- Fully integrated mobile application
  - Shop from mobile
  - All loyalty features included: coupons, loyalty check
  - Store locator
  - Digital version of catalogs
  - Scanning of products / coupons
  - Shopping lists and purchase history
  - Pick your turn in-store at fresh counters

Wide choice of delivery options
- Home delivery
- Drive
- Lockers
- Tests with local start ups to test and improve services

Complete loyalty programme targeting all segments
- Key partners offering discounts or credits through Carrefour Club
  - El Club Carrefour: 5% credited
  - 65+: Up to 5% discount
  - Joven: 6% credited
  - CEPSA: 4% credited

02. ROLLING OUT CARREFOUR’S MULTIFORMAT & OMNICHANNEL MODEL
CHINA: FOOD E-COMMERCE ROLLED OUT IN 12 CITIES

CHINA: FOOD E-COMMERCE ROLLED OUT IN 12 CITIES

Food E-commerce in 12 cities

95% of orders through the mobile app (March 2017)

Picking from stores. In the future, dark stores and crowd delivery expected

Click & Collect lockers rolled out in Hypermarkets and Convenience stores

Located near the store entrance

Refrigerated lockers for fresh food

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Located near the store entrance

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Refrigerated lockers for fresh food
CHINA: CROSS-BORDER E-COMMERCE LEVERAGING PRIVATE LABEL EXPERTISE

Cross-border E-commerce launched in December 2016
Only available from the mobile app
2,000 SKUs in H2 2017

Carrefour brands are showcased (Bio, Les Cosmétiques Paris etc.)

Shipped from Taiwan to Mainland China
BRAZIL: RE-LAUNCH OF E-COMMERCE, STARTING WITH NON-FOOD; FOOD TO BE LAUNCHED SOON

Direct offer: c12,500 SKUs, mostly in EPCS and Bazar

Marketplace: “Sold by partner, delivery guaranteed by Carrefour”; 6,000 SKUs are online to date; 150,000 SKUs by end 2017
POLAND: OMNICHANNEL TRANSFORMATION UNDERWAY

Non-Food E-commerce launched in December 2015

- 4,500 SKUs, Home delivery or Click & Collect in 86 Carrefour Hypermarkets

Food E-commerce launched in 2016

- 12,000 SKUs in FMCG, home delivery in Warsaw; testing Hypermarket pick-up

New communication campaign relayed by social media

- New campaign launched in 2016
- Well received by the general public
- Successfully relayed on social networks (1.2m YouTube views at launch)
- Continued popularity since then

Mobile app ‘Moj Carrefour’ integrating store promotions, loyalty and key information

02. ROLLING OUT CARREFOUR’S MULTIFORMAT & OMNICHANNEL MODEL
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CARMILA: INTEGRATING DIGITAL IN SHOPPING MALLS ADJACENT TO OUR HYPERMARKETS

Build a global offer of BtoBtoC cross canal services for tenants to reach web & mobile users

- e-Reservation, couponing, click & collect for food business

Services to enhance the shopping experience in our centre

- “Tinder of coupons” & “Find my car” in mobile apps of shopping centre.

Develop a local marketing offer, with digital strategies, to generate traffic and grow sales

Synergies with Carrefour

- Build the future shopping centre with Carrefour

- IOT – maintenance/cleaning optimisation and energy efficiency

- Clear Channel screen in every shopping centre

02. ROLLING OUT CARREFOUR’S MULTIFORMAT & OMNICHANNEL MODEL

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OMNICHANNEL BOOSTS INNOVATION IN MOBILE PAYMENT

CARREFOUR IS A KEY PARTNER OF APPLE PAY IN FRANCE AND SPAIN

APPLE PAY, ACCEPTE DANS TOUS LES MAGASINS CARREFOUR

Voir conditions sur www.carrefour-banque.fr

CARREFOUR ROMANIA LAUNCHED ‘CARREFOUR PAY’

Carrefour Pay app launched in November 2016
3 main functionalities:
- In-store price checking
- Invoicing
- Payment through the app, by scanning a QR-code

In all 266 Carrefour Hypermarkets and Supermarkets in Romania
~26k downloads
01. Introduction: The empowered consumer

02. Rolling out Carrefour’s Multiformat & Omnichannel model

- Multiformat & Omnichannel
- **France: Digital illustration**
- Financials
OUR GOAL: DEVELOP THE CARREFOUR “REFLEX”

Carrefour is the leading physical retailer in France. We are building a major market position in E-commerce leveraging a unique store network.
NUMEROUS AND RELEVANT 2016 ACHIEVEMENTS

02. ROLLING OUT CARREFOUR’S MULTIFORMAT & OMNICHANNEL MODEL
A COHERENT AND COMPLETE ECOSYSTEM OF WEBSITES

AN ONLINE FOOD OFFER ACCESSIBLE TO ALL

A NON-FOOD PLATFORM INCLUDING A MARKETPLACE

DEDICATED WEBSITES FOR SERVICES
Carrefour brand

SPECIALIZED WEBSITES CONNECTED TO THE CARREFOUR ECOSYSTEM

All the websites centralized through the carrefour.fr portal
COMPREHENSIVE REVIEW OF OUR WEBSITES

Overhaul of the carrefour.fr hub

Overhaul of the Drive website

Revamp of the homepage, category and product pages of Rue du Commerce
# A Broad Food E-Commerce Offer

<table>
<thead>
<tr>
<th>HOME DELIVERY</th>
<th>CLICK AND COLLECT</th>
</tr>
</thead>
<tbody>
<tr>
<td><img src="image" alt="oooshop Logo" /></td>
<td><img src="image" alt="Carrefour drive Logo" /></td>
</tr>
<tr>
<td><img src="image" alt="Livraisonexpress Logo" /></td>
<td><img src="image" alt="Carrefour drive Logo" /></td>
</tr>
</tbody>
</table>

- 15,000 online SKUs
- 578 drives in France
- 4.5M drive orders per year
- +25% drive sales (2016)

02. Rolling Out Carrefour’s Multiformat & Omnichannel Model

26 April 2017 | 61
Food online is not ‘one size fits all’

- **Rural/Suburban**
  - **Click & Collect at Drive**
  - **Model Delivery D+1 or D+2**
  - **Extra Large assortment**

- **Urban Centers**
  - **oooshop**
  - **Hypermarket as a warehouse**
  - **Supermarket as a warehouse**

- **1-hour or same-day delivery**
  - **Large assortment**
  - **oooshop**

- **+ Last mile through start-up partners**
Faites vos courses en ligne avec Carrefour
NEW OFFERS AND SERVICES: LAUNCH OF LIVRAISONEXPRESS.FR, THE HOME DELIVERY SOLUTION FOR CITY CENTERS

A 1H-DELIVERY SERVICE FOR ADDITIONAL LAST-MINUTE SHOPPING, LAUNCHED IN 2016 IN PARIS AND ITS SUBURBS

Orders prepared in stores (Market or City)
2,200 SKUs
30-minute delivery slots
Delivery fee: €4.90

Live in Paris area
Imminent launch in Lyon
New city to come

The client orders online
The closest store receives and prepares the order
60’
The closest Stuart deliveryman is notified and retrieves the order from the store
The client receives his/her order, which he can track online in real time

Orders prepared in stores (Market or City)
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SMS

A 1H-DELIVERY SERVICE FOR ADDITIONAL LAST-MINUTE SHOPPING, LAUNCHED IN 2016 IN PARIS AND ITS SUBURBS

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A SINGLE NON FOOD MULTISPECIALIST PLATFORM

<table>
<thead>
<tr>
<th>Feature</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>A marketplace</td>
<td></td>
</tr>
<tr>
<td>Extend non-food offer</td>
<td></td>
</tr>
<tr>
<td>Leverage our store network</td>
<td></td>
</tr>
<tr>
<td>Specialized expertise in E-commerce</td>
<td>(IT, logistics, CRM, commercial)</td>
</tr>
</tbody>
</table>

750 marketplace merchants

3M SKUs

6,000 pick-up points and client touchpoints

400K additional Carrefour clients thanks to Click & Collect
OMNICHANNEL APPROACH TO LEVERAGE NON FOOD

STORE TO WEB:
In store tablets available to the salesforce

OBJECTIVE:
100% of the full offer available in any Carrefour store

WEB TO STORE:
Upload store assortment online
CLICK & COLLECT
CLICK & COLLECT
2 hours
## DEVELOPMENT OF OUR OFFER ON STRONG POTENTIAL CATEGORIES AND SERVICES

### ONLINE FRENCH MARKET FORECAST (2020) | CARREFOUR SALES EVOLUTION (2016) | OTHER KPIS

<table>
<thead>
<tr>
<th>Category</th>
<th>Forecast</th>
<th>Growth</th>
<th>_visits/month</th>
<th>SKUs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wine</td>
<td>€400-500m</td>
<td>+250%</td>
<td>340,000</td>
<td>530</td>
</tr>
<tr>
<td>Organic</td>
<td>&gt;€1bn</td>
<td>+50%</td>
<td>600,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Pet food</td>
<td>€600-800m</td>
<td>+30%</td>
<td>150,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Object customisation</td>
<td>&gt;€1bn</td>
<td>+200%</td>
<td>200,000</td>
<td>300</td>
</tr>
</tbody>
</table>
OUR GOAL: DEVELOP THE CARREFOUR “REFLEX”

Carrefour is the leading physical retailer in France. We are building a major market position in E-commerce leveraging a unique store network.
01. Introduction: The empowered consumer

02. Rolling out Carrefour’s Multiformat & Omnichannel model

- Multiformat & Omnichannel
- France: Digital Illustration

Financials
CAPEX EVOLUTION REFLECTS CARREFOUR’S MULTIFORMAT TRANSFORMATION

HISTORICAL CAPEX SPLIT BY FORMAT

- Expansion in smaller formats
- E-commerce roll out
- Hypermarket remodeling phase largely behind us
- Store maintenance key traffic driver

MEDIUM-TERM TRENDS IN CAPEX (GROUP LEVEL)

- Remodeling
- Maintenance
- Expansion
- IT & Omnichannel

02. ROLLING OUT CARREFOUR’S MULTIFORMAT & OMNICHANNEL MODEL
April 26, 2017 | 71
## The Lower Capital Intensity of Growth Will Help Return on Capital

### Table: Store Metrics Across Formats

<table>
<thead>
<tr>
<th></th>
<th>Hypermarkets</th>
<th>Supermarkets</th>
<th>Convenience</th>
<th>Cash &amp; Carry</th>
<th>E-Commerce</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of stores</td>
<td>1,328</td>
<td>3,227</td>
<td>7,075</td>
<td>305</td>
<td>n.a</td>
</tr>
<tr>
<td>% food in sales</td>
<td>70%</td>
<td>85%</td>
<td>95%</td>
<td>c100%</td>
<td>55%</td>
</tr>
<tr>
<td>Capex (by unit)</td>
<td>€€€</td>
<td>€€</td>
<td>€</td>
<td>€</td>
<td>€</td>
</tr>
<tr>
<td>Expansion outlook</td>
<td>=</td>
<td>🚚</td>
<td>🚚</td>
<td>🚚</td>
<td>🚚</td>
</tr>
<tr>
<td>Expansion capex per sqm</td>
<td>++</td>
<td>+</td>
<td>+</td>
<td>+++ (1)</td>
<td>n.a</td>
</tr>
<tr>
<td>2014/2016 Trend</td>
<td>📢</td>
<td>📢</td>
<td>📢</td>
<td>📢</td>
<td>n.a</td>
</tr>
</tbody>
</table>

(1) Includes real estate

### Notes:
- **Hypermarkets**: High volumes, benefitting all formats.
- **Supermarkets**: Strong cash flow, financing multiformat expansion.

---

02. Rolling out Carrefour’s Multiformat & Omnichannel Model
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« L’EXPERIENCE OMNICANALE CARREFOUR »
9:00 AM – 10:30 AM
- Opening remarks
- Introduction
- Multiformat & omnichannel model
- Q&A session

10:30 AM – 10:45 AM
- Break

10:45 PM – 12:20 AM
- CRM & Data
- Supply chain
- Q&A session
- Closing remarks

12:20 AM – 2:00 PM
- Lunch, with demos of products, solutions and concepts

2:00 PM – 6:00 PM
- Store tour
01. Introduction: The empowered consumer

02. Rolling out Carrefour’s Multiformat & Omnichannel model

03. Using CRM & data to engage with customers

Clément Marty
Digital Marketing, Loyalty and Innovation Director, Carrefour Spain

Enrique Garcia Lopez
Digital Director, Big Data and Data Science, Carrefour Spain
Carrefour is already a data-centric organization gathering relevant customer and operational data.

“Small data” is in play to enrich customer value-proposition and convey adequate messages.

New technical capabilities well underway to achieve new level of insights and exploit data commercially and operationally.
DATA IS A 3-STAGE ROCKET

Big Data and data science
Leverage technology to grow revenue

Leverage “small data”

Gather relevant data
CARREFOUR IS A DATA-DEEP COMPANY

CARREFOUR LOYALTY CARD
- 55 million households

CARREFOUR CREDIT CARD
- 6.5 million holders

PAYMENT
- 13m daily transactions

SOCIAL NETWORKS
- 14.4m fans / followers

WEBSITES
- 1.3m daily visitors

MOBILE APPS
- 8.2m downloads
WE GATHER RELEVANT DATA BY PROVIDING CUSTOMERS WITH TANGIBLE BENEFITS

Carrefour

- 1% of food spend
- 8% of gas spend
- 1% of purchase with PASS card outside of Carrefour
- Exclusive promotions (Ex: Día de El Club)
- 4% of gas spend in CEPSA network
- Up to 5% on electricity bought with EDP
- Up to 5% on the Orange bill
- 6% in Grupo Vips restaurants

Partners

- "X"%
“SMALL DATA” TO DRIVE FREQUENCY AND BASKET

Increase average ticket

<table>
<thead>
<tr>
<th>Segmentation</th>
<th>Coupon</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clients with average ticket below €30</td>
<td>€3 x €40</td>
</tr>
<tr>
<td>Clients with average ticket between €30 &amp; €50</td>
<td>€4 x €60</td>
</tr>
<tr>
<td>Clients with average ticket between €50 &amp; €80</td>
<td>€5 x €90</td>
</tr>
<tr>
<td>Clients with average ticket between €80 &amp; €100</td>
<td>€6 x €120</td>
</tr>
</tbody>
</table>

Increase frequency

Monthly basket (€)

Number of monthly visits

-50 -40 -30 -20 -10 0 10 20 30 40 50 60 70 80
“SMALL DATA” TO DEVELOP CUSTOMER INSIGHTS AND SEND SEGMENTED MESSAGES

ABANDONISTAS

SEGMENTED EMAILS

PLAN VERANO

03. USING CRM & DATA TO ENGAGE WITH CUSTOMERS

26 April 2017 | 61
BUILDING DIGITAL COMMUNICATION CHANNELS WITH CUSTOMERS IS KEY

Building a digital communication channel requires relevance and trust

The App is meant to become the privileged link between Carrefour and its loyal customers

In order to drive adoption and repeat use, it has been designed as a bundle of customer services, such as:

- Cheque ahorro and Coupons
- Scan to Price-check in-store
- Turnomatic
- Ticket digital
- Gas-station payment
**CUSTOMER DATA STRATEGY ENABLES REVENUE GROWTH**

<table>
<thead>
<tr>
<th>Type of Customer</th>
<th>Carrefour customers</th>
<th>Carrefour customers</th>
<th>Not Carrefour customers</th>
</tr>
</thead>
<tbody>
<tr>
<td>Loyalty cardholder</td>
<td>Increase share of wallet</td>
<td>Enroll in loyalty program</td>
<td>Bring to Carrefour</td>
</tr>
<tr>
<td>PASS cardholder</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**Type of Data**

<table>
<thead>
<tr>
<th>Known Client data</th>
<th>Anonymous data</th>
</tr>
</thead>
<tbody>
<tr>
<td>Media: owned</td>
<td>Media: owned &amp; 3rd party</td>
</tr>
<tr>
<td>Web (logged)</td>
<td>Display</td>
</tr>
<tr>
<td>Email</td>
<td>RRSS</td>
</tr>
<tr>
<td>App</td>
<td>Search</td>
</tr>
<tr>
<td>CAC</td>
<td>Web (no log)</td>
</tr>
</tbody>
</table>

**Anonymous data**

| Display | RRSS | Search | Web (no log) |
OUR “BIG DATA STACK” IS THE FOUNDATION FOR EXTRACTING VALUE FROM DATA

DATA AS A SERVICE

“SMART” DATA

BIG/FAST DATA
FAST DATA ENABLES DELIGHTING CUSTOMERS IN “REAL TIME”

03. USING CRM & DATA TO ENGAGE WITH CUSTOMERS

Personalized coupon from cashier to App in ~1 sec.
OUR DATA IS VERY “DEEP” AND ENABLES VARIOUS APPLICATIONS OF DATA SCIENCE

EXAMPLES OF APPLICATIONS BEING DEVELOPED

**CUSTOMER FOCUS**

- Hypersegmentation of customers (Granular coupons, recommendations)
- “Churn” risk detection
- Activation of PASS customers
- Store clustering

**OPERATIONAL FOCUS**

- Automatic Anomaly detection at POS
- In-store stock-out detection
- Automated Natural Conversation
- Improved forecasting
OUR CUSTOMER DATA REVEALS NEW LEVELS OF INSIGHTS

More granular

Predictive

Enriched

03. USING CRM & DATA TO ENGAGE WITH CUSTOMERS
Carrefour is already a data-centric organization gathering relevant customer and operational data.

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01. Introduction: The empowered consumer

02. Rolling out Carrefour’s Multiformat & Omnichannel model

03. Using CRM & data to engage with customers

04. Deploying an adapted supply chain

Florence Batchourine
Supply Chain Director,
Carrefour France
CARREFOUR’S SUPPLY CHAIN IN FIGURES

- 142 warehouses worldwide
- 2.7 billion boxes transported in 2016
- 4 million square meters
- 10 countries
- 21,600 dedicated employees, internal and external
- 12,000 stores served
OUR SUPPLY CHAIN IS EVOLVING TO SUPPORT CARREFOUR’S TRANSFORMATION

2 MAIN STRATEGIC GOALS TO SUPPORT GROUP’S TRANSFORMATION

Support multiformat deployment

Industrialize omnichannel processes

Leverage transformation to improve operating efficiency
OUR SUPPLY CHAIN IS EVOLVING TO SUPPORT CARREFOUR’S TRANSFORMATION

2 MAIN STRATEGIC GOALS TO SUPPORT GROUP’S TRANSFORMATION

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Leverage transformation to improve operating efficiency
FRANCE: A MORE EFFICIENT MULTIFORMAT SUPPLY CHAIN THANKS TO CARAVELLE

---

**2018 CARAVELLE TARGETS***

- Number of Km: -20%
- Number of SKUs: +15%
- Cost of package: -5%
- Product availability: +2%

---

| Reduced number of warehouses in France | in 2012 | 67 | -18% | 55 |
| Reinforced network of multiformat warehouses | 13 | x3 | 34 |
| Number of delivered stores | 4,000 | +50% | 6,000 |

*2018 target vs 2012*
FRANCE: CARAVELLE IS DELIVERING ITS FIRST BENEFITS

EXAMPLE: SOUTHWEST FRANCE

BEFORE

2 monoformat warehouses serving a large region

Bordeaux (hypers)

Toulouse (supers & convenience)

NOW

2 multiformat warehouses, each serving a smaller area

Bordeaux multiformat

Toulouse multiformat

ENHANCED OPERATIONAL EFFICIENCY

- Number of Km: -20%
- Environmental impact: -23%
- Product availability: +2%

BENEFITS FOR OUR CLIENTS

- Number of SKUs available: +19%
- Larger assortment availability for convenience
- Improved reach for local/regional offer

04. DEPLOYING AN ADAPTED SUPPLY CHAIN
April 26, 2017 | 94
FRANCE: CARAVELLE ENHANCES OPERATING EFFICIENCY

- **2013 / 2014**: 30%
- **2015**: 10%
- **2016**: 25%
- **2017**: 10%
- **2018**: 25%

65% of savings delivered as of end-2016

35% of savings to be delivered in 2017 and 2018

€350m savings between end-2012 and end-2018
CARGO, APPLYING OUR REAL ESTATE KNOW-HOW TO LOGISTICS

THE REAL ESTATE COMPONENT OF THE CARAVELLE PROJECT

- **JV** created in H1 2016, 32%-held by Carrefour along with co-investors
- Comprises around one-third of Carrefour’s distribution centers
- Carrefour manages and is the sole tenant of Cargo

BENEFITS FOR CARREFOUR

- **Regain control** of distribution centers, which are key real estate assets
- Provide greater flexibility to accompany the growth of omnichannel
- **Limit cash-out** through co-investors’ contribution and in-kind contribution from Carrefour

€500m **Capex** upon completion of the project (2015-2018)

68% financed by co-investors
FRANCE: CARREFOUR INNOVATES TO BUILD A MORE SUSTAINABLE SUPPLY CHAIN

INNOVATION AND IMPLEMENTATION OF NEW TECHNOLOGIES

First player in France to implement a **new CO2 transcritical refrigeration facility** in 2017 to reduce energy consumption

IMPROVED ENVIRONMENTAL PERFORMANCE

**Rollout of Bio Methane Trucks**

- Reduce CO₂ emissions by 75%,
- Reduce noise by 50%
IN 2014, CHINA DID NOT HAVE INTEGRATED LOGISTICS
2 STRATEGIC OBJECTIVES WERE PURSUED:

**DEPLOY MULTIFORMAT**
- Roll-out convenience
- Launch E-commerce

**IMPROVE CUSTOMER SERVICE**
- More flexibility (adapt to client demands)
- Increased product availability
CHINA: INTEGRATION OF SUPPLY CHAIN SUPPORTING MULTIFORMAT ROLL-OUT (2/2)

INTEGRATION AND OPTIMIZATION OF LOGISTICS

% of goods supplied by our distribution centers:

- 2017 target: 80%

Increase in assortment:

- +20% in small- and mid-sized cities starting in 2016

Development of convenience and E-commerce formats

- 2017 target: 80%

Increase in assortment:

- +20% in small- and mid-sized cities starting in 2016

Development of convenience and E-commerce formats
OUR SUPPLY CHAIN IS EVOLVING TO SUPPORT CARREFOUR’S TRANSFORMATION

2 MAIN STRATEGIC GOALS TO SUPPORT GROUP’S TRANSFORMATION

- Support multiformat deployment
- Industrialize omnichannel processes

Leverage transformation to improve operating efficiency
CARREFOUR TESTS AND OPERATES MULTIPLE FULFILLMENT MODELS ACROSS MARKETS

- **In-store picking**
  - **In-store picking geographically concentrated**
  - **Carrefour Spain**
  - **Carrefour Spain & Taiwan**

- **Mixed model: dedicated storage space adjacent to the store**
  - **Carrefour France (Ooshop)**
  - **Partly-automated warehouse (conveyers)**

- **Partly-automated warehouse**
  - **Carrefour France (PPC)**
  - **Mixed model: dedicated warehouse, manual picking**

- **Future models?**
  - **TBD**

**Efficiency**

<table>
<thead>
<tr>
<th># OF DAILY ORDERS</th>
<th>Starting point – all Carrefour countries</th>
<th>Carrefour Spain</th>
<th>Carrefour Spain &amp; Taiwan</th>
<th>Carrefour France (Ooshop)</th>
<th>Carrefour France (PPC)</th>
<th>Partly automated warehouse</th>
<th>Future models?</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>leverage store warehouses to prepare individual orders</td>
<td>Gradually rolled out in other markets</td>
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04. DEPLOYING AN ADAPTED SUPPLY CHAIN
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VIDEO: NON FOOD SUPPLY CHAIN IN SPAIN
“PPC”: INNOVATIVE LOGISTICS SOLUTION FOR DENSELY-POPULATED URBAN AREAS

HOW DOES IT WORK?
- Warehouse prepares the FMCG and Fresh part of the individual drive order
- Delivered to the store
- Store is in charge of the ultra fresh part of the order (Bread, Sushi etc...)

BENEFITS
- Significantly reduce product shortage
- Increase customer satisfaction
- Offer larger assortment (15,000 SKUs)
- Declutter stores (less in-store picking)

NEXT STEPS
- Automate/Mechanise part of the warehouse to
  - increase efficiency
  - enable higher sales per warehouse without need for more staff

Partly automated warehouse to prepare individual Drive orders

04. DEPLOYING AN ADAPTED SUPPLY CHAIN
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01. Introduction: The empowered consumer

02. Rolling out Carrefour’s MultifORMAT & Omnichannel model

03. Using CRM & data to engage with customers

04. Deploying an adapted supply chain

05. Conclusion
« L’EXPERIENCE OMNICANALE CARREFOUR »
LUNCH – DISCOVER OUR INNOVATIONS

Market Pay

Carmila

Premium private labels and Carrefour quality lines
STORE TOUR

3 formats / concepts

3 Groups

GROUP 1
• Departure at 2:00pm
• Arrival at Gare du Nord at 5:45pm

GROUP 2
• Departure at 2:10pm
• Arrival at Gare du Nord at 6:20pm

GROUP 3
• Departure at 2:00pm
• Arrival at Gare du Nord at 6:00pm

Departure meeting point:
Entrance of Hôtel d’Evreux

You can find your Group number on your name tag

Please be on time
Thank you for your attention