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CORPORATE SOCIAL RESPONSIBILITY AND PERFORMANCE

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Introduction

The following sections of the Universal Registration Document present the components that underpin Carrefour's Corporate Responsibility strategy.

Chapter 1 presents Carrefour's *raison d'être* and its ambition to become the leader of the food transition for all. In line with this ambition, this chapter also looks at projects developed by the Group, as well as a materiality analysis that ensures the alignment of these strategic priorities with stakeholder expectations, and an analysis of Carrefour's business model. Lastly, it reviews the Group's CSR performance summary and the achievement of its objectives based on the CSR and Food Transition Index.

Chapter 2 details how CSR is structured within the Group, and the method deployed for implementing the food transition for all, creating more value for all stakeholders, and therefore developing the positive impact of the organisation's activities on society. It describes the methodologies enabling Carrefour to develop CSR policies in response to social, environmental and societal risks it has identified in its business model and through dialogue with stakeholders. It highlights these policies, action plans and duty of care measures put into action to address identified risks. Lastly, it transparently explains the Group's CSR performance through a set of key indicators. Chapter 2 also contains information on the Non-Financial Statement (NFS), the EU Green Taxonomy, the duty of care and the main international standards applied, in particular the Sustainability Accounting Standards Board (SASB), the Task Force on Climate Disclosures (TCFD) and the Global Reporting Initiative (GRI). Cross-reference tables specific to the Non-Financial Statement, SASB-B, TCFD and GRI-G4 appear in Section 9.6.

Alignment with applicable regulations

Non-Financial Statement: this Universal Registration Document complies with the requirements of French government order no. 2017-1180 of July 19, 2017 and decree no. 2017-1265 of August 9, 2017, providing for a Non-Financial Statement as stipulated notably under Articles L. 225-102-1 and R. 225-105 *et seq.* of the French Commercial Code (*Code de commerce*). This information concerns the activities of Carrefour SA (the parent company) and all the Group's consolidated companies.

The Non-Financial Statement consists of the following:

- the business model, provided in Section 1.1.6;
 - the map of Group risks based on the business model, which incorporates societal risks, presented in Section 4.1.2. The methodology for identifying societal risks and their definition are detailed in Section 2.1.1.2.1;
 - the policies and action plans that address societal risks, described in Section 2.1. Thus, all the societal risk factors encountered by the Group in its activities are subject to its CSR policy. The CSR policy sections are structured as follows: biodiversity (Section 2.1.2), climate (Section 2.1.3), health and product quality (Section 2.1.4), business ethics and supply chains (Section 2.1.5) and employees (Section 2.1.6);
 - the Group's Key Performance Indicators in 2021 are detailed for each policy in Section 2.1. Performance is summarised in Section 2.4 and Section 2.4.1 provides details on the reporting method;
 - lastly, Section 2.4.2 contains the independent third-party report on consolidated CSR information.
- Duty of care:** this section contains information on the Group's duty of care plan for identifying risks and preventing serious violations of human rights and fundamental freedoms, the health and safety of individuals, and the environment. It complies with the requirements set out in French law no. 2017-399 of March 27, 2017 with regard to the duty of care. As such, the following items and information are covered:
- the map used to identify, analyse and classify risks (see Section 2.2.2);
 - procedures used to regularly assess the position of subsidiaries, subcontractors and suppliers with which the Group maintains an established business relationship, based on the risk map (see Section 2.2.3);
 - adapted actions for mitigating risks or preventing serious threats (see Sections 2.2.3.1 and 2.2.3.2);
 - the whistleblowing and warning systems for reporting the existence or materialisation of risks, established in cooperation with the trade unions of said company (see Section 2.2.5);
 - the system for monitoring actions taken and measuring their effectiveness (see Section 2.2.6 and Sections 2.2.3.1 and 2.2.3.2);
 - the report on the implementation of the duty of care plan covering the previous financial reporting year (see Section 2.2.7).

The information included in Carrefour's duty of care plan is presented in this section as follows:

- governance of CSR, the food transition and the duty of care plan is presented in Section 2.2.1;
- procedures for dialogue and collaboration with stakeholders, which can be used to set policy and to update and evaluate the implementation of third-party assessments and risk prevention and mitigation measures are presented in Section 2.2.1.2;
- the methodology used to map risks relating to human rights and fundamental freedoms, health and safety, and the environment is presented in Section 2.2.2.1. The main identified risks and their sub-factors are presented in Section 2.2.2.2;
- risk prevention frameworks are presented in Section 2.2.4.1, third-party assessments are described in Section 2.2.3, risk prevention and mitigation measures are presented in Section 2.2.4 and whistleblowing systems covered in the duty of care plan are detailed in Section 2.2.5. The report on actions implemented in 2022 as part of the duty of care plan is available in Section 2.2.7;
- a summary of Carrefour's non-financial reporting, which covers all of the Group's non-financial performance indicators, is presented in Sections 2.2.3.1 and 2.2.3.2.

Green Taxonomy: Section 2.3 complies with Regulation (EU) 2020/852, the EU Green Taxonomy, which came into effect on July 12, 2020 and establishes a common classification system for all European Union countries to identify sustainable economic

activities. To date, the Taxonomy's scope does not cover product distribution in the Group's stores. The regulation is applicable to only some of the Group's ancillary businesses, such as building construction and vehicle rentals.

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2.1 Non-financial policies, action plans and performance

2.1.1 CSR METHODOLOGY AND NON-FINANCIAL RISKS AND PERFORMANCE

2.1.1.1 Governance and CSR methodology

In conducting its business activities, Carrefour gives importance to creating value for all its stakeholders. The Group has implemented CSR governance, developed reporting methods and continuously improved its decision-making processes, tools and strategies to increase its positive impact on society.

Since the transformation plan was launched in 2018 by its Chairman and Chief Executive Officer, Alexandre Bompard, the Group has accelerated its actions to promote sustainable development and the food transition for all. The Group's *raison d'être*, adopted at the Shareholders' Meeting in June 2019 and enshrined in the preamble of the Company's Articles of Association, marks the starting point of this acceleration and the transformations in progress (see Section 1.1.5).

In 2022, Carrefour adopted its new transformation plan "Carrefour 2026" (see Section 1.3), which marks a new stage in the implementation of the food transition for all. Carrefour is strengthening its CSR ambitions, in particular with regard to the fight against climate change; the production of renewable energy; the reduction of packaging and the development of bulk sales; the preservation of biodiversity; the fight against deforestation; healthy food; diversity and inclusion.

Figure 1 below shows the key events in Carrefour's history and their positive impact both on integrating CSR into the Group's business operations and on improving production and consumption modes.

The Group's CSR approach has evolved significantly due to the actions taken in implementing its *raison d'être*. The methodology is based on the following principles:

- **transparent goals with stakeholders supported at the highest level of the organisation:** Carrefour works with its partners in setting specific, quantitative targets. The Group presents its short- and long-term goals in line with material issues identified with its stakeholders (the materiality matrix is detailed in Section 1.1.7). The Group's objectives associated with CSR and the food transition are measured by a set of performance indicators. The most strategic objectives are integrated into the CSR & Food Transition Index. This index measures an annual achievement rate and is factored into management compensation (see Section 1.5.3);
- **dedicated governance:** In 2022, Carrefour created an Engagement department positioned at the level of the Group's Executive Committee, responsible for embodying the Group's aims in relation to CSR (the environment, climate, fight against food waste, etc.), Diversity and Inclusion (gender equality, disability, diversity of origin, etc.), the Carrefour Foundation and the Group & France Solidarity Unit. Governance bodies for CSR and the food transition have been set up at every level in the organisation (see Section 2.2.1.1). Internal Food Transition Advisory Committees were set up at Group level and in integrated countries and within the various professions depending on the issues addressed;

Focus: The Carrefour group's Engagement department

On February 1, 2022, the Group announced the creation of an Engagement department responsible for CSR strategy and for translating the Group's social commitments into action. Carine Kraus, Director of Engagement, is General Delegate of the Carrefour Foundation and a member of the Group Executive Committee. It coordinates and synchronises the deployment of the CSR and food transition strategy in close collaboration with various Group departments, business lines, countries and external stakeholders.

The Engagement department includes the Carrefour Foundation, the Group & France Solidarity Unit, the CSR department, the Employer Brand department and the Diversity and Inclusion department.

The Group's **CSR department** is responsible for implementing the CSR methodology and contributes to the definition and management of Carrefour's societal objectives. It is responsible for building a vision for Carrefour's contribution to the UN Sustainable Development Goals (SDGs) and reports on Group performance to its stakeholders based on international standards. In addition to its contribution to Group strategy and with the help of Carrefour experts, the CSR department identifies emerging trends and supports the various professions with the design and implementation of innovative, substantive projects. It works together with the Legal, Risk, Merchandise and Human Resources departments to develop the Group's duty of care plan.

The CSR department, responsible for implementing these missions, comprises about ten employees, who work with all the Group professions and departments concerned, particularly the Merchandising, Quality, Marketing, Communication, Store and E-commerce departments. Every country where the Group operates has a CSR department.

The Diversity and Inclusion department is responsible for coordinating the approach at Group level in collaboration with all countries.

The aim of the Employer Brand is to help the Group's employees improve their skills, according to their profiles.

The Carrefour Foundation and the Group & France Solidarity Unit are responsible for supporting and coordinating sponsorship activities in the countries where the Group operates.

- **actions integrated into products and stores for its customers:** the integration of actions tested by customers into stores is a key marker of the methodology, as these actions embody the Group's long-term objectives.

To achieve its mission of becoming the leader of the food transition for all, the Group acts at all levels to participate in transforming markets; directly engaging suppliers, partners, and customers; and bringing innovative solutions that can reshape production and consumption modes. **Figure 2** below shows how all actors are involved in the reduction of packaging within the Group. Carrefour uses the following drivers to make this mission a success:

- **working towards a positive transformation in market standards:** Carrefour acts for progress in market standards through initiatives supported by retail companies, suppliers and stakeholders in the value chain, organisations and public authorities;

- **implementing exclusive innovations at a local or international level** that serve as an industry benchmark and can change consumer standards. Initiatives that have been successful with consumers are applied industry-wide and help bring about transformation on the market. Campaigns include *C'est qui le patron?* (Who's the Boss?), "Bring your own container", returnable packaging, no-waste boxes, and the elimination of plastic from the fruit and vegetables section. Carrefour and its partners work to identify innovative solutions and support the implementation of these solutions in order to suggest new ways of producing and using products;

- **getting direct suppliers and partners involved;** Carrefour has direct relationships with thousands of farmers, manufacturers and service providers:

- as part of its trade relations, especially with its suppliers of Carrefour-branded products, the Group includes standards in line with CSR and the food transition. In 2020, Carrefour updated its purchasing rules to support the food transition, in particular by including criteria and requirements to respect marine resources, protect forests, integrate ecodesign into packaging and promote agroecology,

- Carrefour sets up collaborations with its suppliers of Carrefour-branded products and national brands to initiate the transformations necessary to bring about the food transition for all. Carrefour also proposes joint projects with its suppliers through innovation platforms and offers technical support for supply lines. Lastly, the Group launched the Food Transition Pact in 2019, which unites national brand suppliers around common objectives on biodiversity, transparency, health and nutrition, climate and packaging,
- in order to boost its suppliers' engagement, Carrefour launched the first European Food Transition Awards in 2021, a competition that rewards the most virtuous suppliers in terms of CSR in the eyes of customers. Building on the success of the first edition, Carrefour launched the International Food Transition Awards in 2022, allowing suppliers from around the world to present their innovations,
- the announcement of the "Carrefour 2026" strategic plan in 2022 was an opportunity for the Group to confirm its ambitions in the fight against global warming; Carrefour has invited its major suppliers (Top 100) to adopt a 1.5°C trajectory by 2026, and has committed to delisting them if they do not meet this condition;
- **educating and engaging customers:** to transform consumer habits, Carrefour offers products and solutions in stores to promote sustainable consumption. Carrefour aims to identify and better meet customers' emerging societal and environmental expectations. But the Group also hopes to educate people about sustainability issues and co-build solutions that everyone can adopt. Carrefour also established customer consultation and engagement channels to define its strategies (e.g., activist consumer groups in Spain and France).

FIGURE 1: TIMELINE OF KEY EVENTS AND THEIR POSITIVE IMPACT BOTH ON INTEGRATING CSR INTO INTERNAL PRACTICES AND ON IMPROVING PRODUCTION METHODS AND CONSUMER HABITS



- markers of the integration of CSR into Group strategy
- markers of Carrefour's positive impact on production methods and consumer habits
- key events in CSR history

FIGURE 2: EXAMPLE OF THE ACTION PLAN ON PACKAGING AND PLASTIC: HOW CAN EVERYDAY CONSUMER USE BE TRANSFORMED INTO SOMETHING POSITIVE?



Carrefour uses analysis and dialogue tools to identify material issues, and define its policies and action plans while taking a continuous improvement approach. The Group implements the following actions, which are detailed in other sections in this document:

- engaging with stakeholders and consumers on societal issues (Section 1.1.7 "Stakeholder dialogue");
- defining policies and helping the business segments to deploy them through action plans and objectives (Section 2.1);
- risk analysis (Sections 4.1.1 and 2.1.1.2) and materiality analysis (Section 1.1.7);
- evaluating non-financial performance (Section 1.5.3).

2.1.1.2 Content of the Group's map of CSR risks

2.1.1.2.1 Methodology for analysing Group risks

Carrefour relies on different internal risk management procedures to identify and assess the risks applicable to the Group. These include risks of violations of human rights, health and safety, and the environment relating to the Group's business operations.

For the first step, the Group identifies the key risks that include criteria relating to the Company's corporate social responsibility.

The methodology for identifying risks includes:

- international standards and guidelines (GRI G4, ISO 26000, SASB-B);
- expectations expressed in ESG questionnaires to which the Group responds every year;
- the materiality analysis conducted with both internal and external stakeholders, which is used to confirm the main societal risks included in the analysis.

The Group's general risks are then identified and analysed with all departments concerned in each country. This helps refine the assessment of risks detected in each region. This process is detailed in Section 4.1 of this Universal Registration Document. These risks are then ranked in order of their net criticality.

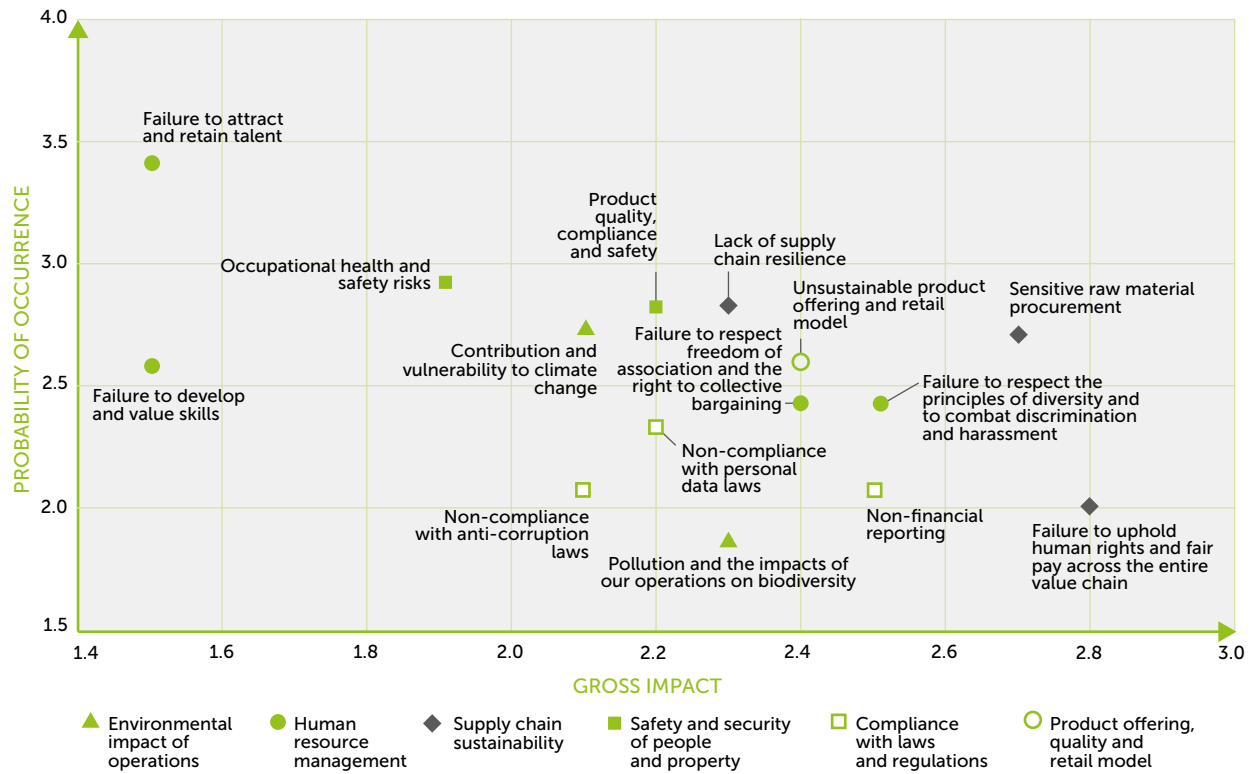
This analysis highlights the main risks that could affect the Group's operations, financial position, reputation, results and social responsibility. The analysis is updated annually, and results are submitted to the Audit Committee, the Group Executive Committee and the Board of Directors.

Carrefour then identifies which Group risks are CSR risks that could lead specifically to violations of human rights, health and safety, and the environment. This selection of key CSR risks measures the impact on stakeholders (including customers, suppliers, NGOs and civil society). Section 2 details the policies, action plans and performance indicators related to these CSR risks. It therefore contains information relating to the Non-Financial Statement and the duty of care plan.

2.1.1.2.2 Map of the Group's CSR risks

The scope of the Non-Financial Statement specifically addresses the CSR risks identified by the Group's risk analysis. Carrefour rates each of these societal risks. These risks are assessed based on the following criteria:

- gross impact: this indicator measures the impact on stakeholders (consumers, employees, suppliers, organisations, etc.), as well as the financial and reputational impacts. It is rated on a scale of 1 to 4;
- gross probability: this criterion measures the risk's probability of occurrence, without taking the ability to control the risk into account. The probability is assessed on a scale of 1 to 4.



2.1.1.2.3 Definition of the Group's societal risks and associated policies

This mapping initiative identifies non-financial reporting risk categories. The manner in which they are broken down and defined throughout the Group is detailed in the table below.

These non-financial reporting risk categories correspond to risks identified by the Group Internal Audit and Risk department. The significance of these risks has been confirmed by the materiality analysis conducted with both internal and external stakeholders. Section 2.1 presents the measures used to manage these risks, which are covered in the last column of the table below.

TABLE 1: DEFINITION OF PRIORITY SOCIETAL RISKS USED FOR NON-FINANCIAL REPORTING PURPOSES

NFS risks	Group risk	Description of the non-financial reporting risk category	Non-financial reporting policies, action plans and performance
Sensitive raw material procurement	Use of raw materials questioned for their environmental, social or ethical impact	Carrefour could stand accused of using raw materials whose value chains could have an impact on deforestation, depletion of scarce resources or human rights abuses (unpaid or poorly paid work, child labour, etc.).	Section 2.1.2.3 Section 2.1.5.2 Section 2.1.5.3
Occupational health and safety risks	Psychosocial risks, workplace accidents or occupational illnesses	Any failure to take effective prevention measures against psychosocial risks could lead to an increase in workplace accidents, particularly in stores and warehouses, or in occupational illnesses among Group employees.	Section 2.1.6.5
Contribution and vulnerability to climate change	Failure to control energy consumption, refrigerants and associated carbon emissions	Carrefour may fail to control its energy and refrigerant consumption, particularly following the promulgation of EU F-gas and F-gas II regulations, which will gradually prohibit the replacement and use of the most polluting refrigerants (e.g., Freon gas) by 2030.	Section 2.1.3.3
	Extreme weather events	Natural disasters (e.g., flooding, heavy snowfall, heatwaves, etc.) may interrupt business (plant closures, breakdowns, serious damage) and endanger the lives of Carrefour customers, employees or suppliers.	
Failure to attract and retain talent	Inability or difficulties in attracting and retaining key employees	The Group could encounter difficulties in attracting, hiring or retaining talent for key positions. This risk may arise in particular due to departures from critical positions such as Directors and Senior Directors.	Section 2.1.6.3
Failure to develop and value skills	Failure to assess, develop or value skills	Poor deployment of skills assessment, development and recognition policy by managers and human resources is likely to demotivate employees and result in lower productivity and increased turnover.	
Quality, compliance and product safety failure	Failure of the removal and recall system	Malfunctions in the recall and withdrawal procedure for batches of food products could have serious health impacts on customers.	Section 2.1.4.2
	Serious breach of quality and hygiene standards in stores, warehouses or at a logistics partner	Serious breaches of quality and hygiene standards in stores, warehouses or at a logistics partner can have serious consequences for the health of our customers.	
	Significant lack of quality control, traceability and product information disclosed to customers	Major deficiencies in product control and traceability could have serious consequences for the health of our customers and not meet consumer expectations regarding product origin. These shortcomings could also impact Carrefour's business development and results.	

NFS risks	Group risk	Description of the non-financial reporting risk category	Non-financial reporting policies, action plans and performance
Lack of supply chain resilience	Street demonstrations, strikes or agricultural crises	Farming or industry crises could lead to supply shortages (e.g., milk or butter shortages in France). Supply chains can also be disrupted by events related to economic or political crises. Environmental and social crises can impact supply chains, raising the price of raw materials and lowering the Group's profits.	Section 2.1.5.2 Section 2.1.5.3
Failure to respect freedom of association and the right to social dialogue	Poor management or degradation of the social climate within Carrefour	Insufficient social dialogue can lead to demotivated employees. These events are likely to result in loss of productivity and/or revenue.	Section 2.1.6.2
Failure to uphold human rights and fair pay across the entire value chain	Carrefour or its suppliers are accused of failing to comply with labour law or human rights	Carrefour strives to uphold human rights across the entire value chain. Any instances of forced labour or exploitation of children, or failure by a supplier to pay the minimum wage could have a strong negative impact on the Group's reputation.	Section 2.1.5.2 Section 2.1.5.3
Non-compliance with anti-corruption laws	Non-compliance with anti-corruption laws	The Sapin II law on transparency, corruption and modernised business practice requires French companies, such as Carrefour and its subsidiaries, to set up a compliance programme to both prevent and detect any corruption or use of undue influence both inside or outside France. Carrefour may fail to comply with all of the pillars and provisions of this legislation.	Section 2.1.5.5
Non-compliance with personal data laws	Non-compliance with laws on the protection of personal data (e.g., GDPR, LGPD)	Carrefour processes large volumes of personal data for customers, employees and suppliers. Data protection and privacy legislation – e.g., the General Data Protection Regulation (GDPR) in force since May 25, 2018 in the European Union in addition to existing national legislation, and the "General Data Protection law" (LGPD) which came into force in Brazil in September 2020 – establish a new legal data protection framework with increased protection for citizens' rights and new legal obligations for businesses. Carrefour must ensure that it complies with all of the requirements of such legislation.	
Failure to respect the principles of diversity and to battle discrimination and harassment	Failure to comply with the principles of diversity and equality or failures to combat discrimination and harassment	Carrefour may encounter difficulties in deploying its anti-discrimination policy, particularly with regard to gender diversity and equal pay or the employment of people with disabilities.	Section 2.1.6.4
Unsustainable product offering and retail model	Commercial offer (excluding product assortments) not aligned with customers' environmental and societal expectations (e.g., reduction of packaging, food waste)	Carrefour could be held liable for impacts related to food waste and poor waste management. Product offerings and the management of store operations could be misaligned with customers' emerging societal expectations, such as selling local products, promoting local distribution networks, or reducing packaging and plastic in stores.	Section 2.1.2.4 Section 2.1.3.4
Pollution and the impact of our operations on biodiversity	Deterioration of biodiversity linked to real estate assets (e.g., pollution from oil products, deforestation)	Carrefour's business operations may have a negative impact on biodiversity, particularly due to pollution events. Ecosystems may be destroyed by construction work, pollution from fuel retail operations or poor waste management.	Section 2.1.2.5
Non-financial reporting	Increasing non-financial reporting requirements (e.g., Green Taxonomy in Europe)	The poor quality of the data reported could impact the assessment and analysis of the Group's non-financial performance.	Section 2.1 Section 2.4

2.1.2 BIODIVERSITY

2.1.2.1 Overview of objectives

Context The food industry is highly dependent on biodiversity, so preserving biodiversity is an industry imperative. However, biodiversity is in an unprecedented ⁽¹⁾ global decline caused by five main factors ⁽²⁾ significantly exacerbated by the food industry:

- changes in how land is used;
- water, soil and air pollution and the resulting reduction in water quality;
- direct exploitation of certain organisms;
- climate change;
- the spread of invasive alien species.

As a key player in the food industry, Carrefour has a role to play in preserving biodiversity. Consumer behaviour is at a turning point, and their expectations are constantly changing. They want more information, better quality products and greater transparency, and rightly so.

Carrefour has therefore set a goal to provide its customers with food, products and services that respect biodiversity. While actions can be taken at the level of Carrefour's sites and operations, solutions that promote biodiversity must also be developed collectively throughout the supply and production chains with all stakeholders. Carrefour therefore takes action to protect biodiversity in its activities and operations, as well as upstream, in partnership with its suppliers, and downstream with its customers.

(1) Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES), 2019. Seventh IPBES Global Assessment report.

(2) World Business Council for Sustainable Development (WBCSD). Vision 2050.

Risks and opportunities

Preserving biodiversity is a real challenge for the Group. It offers Carrefour an opportunity to improve the quality of its products and better meet consumer needs. However, its loss threatens long-term food production.

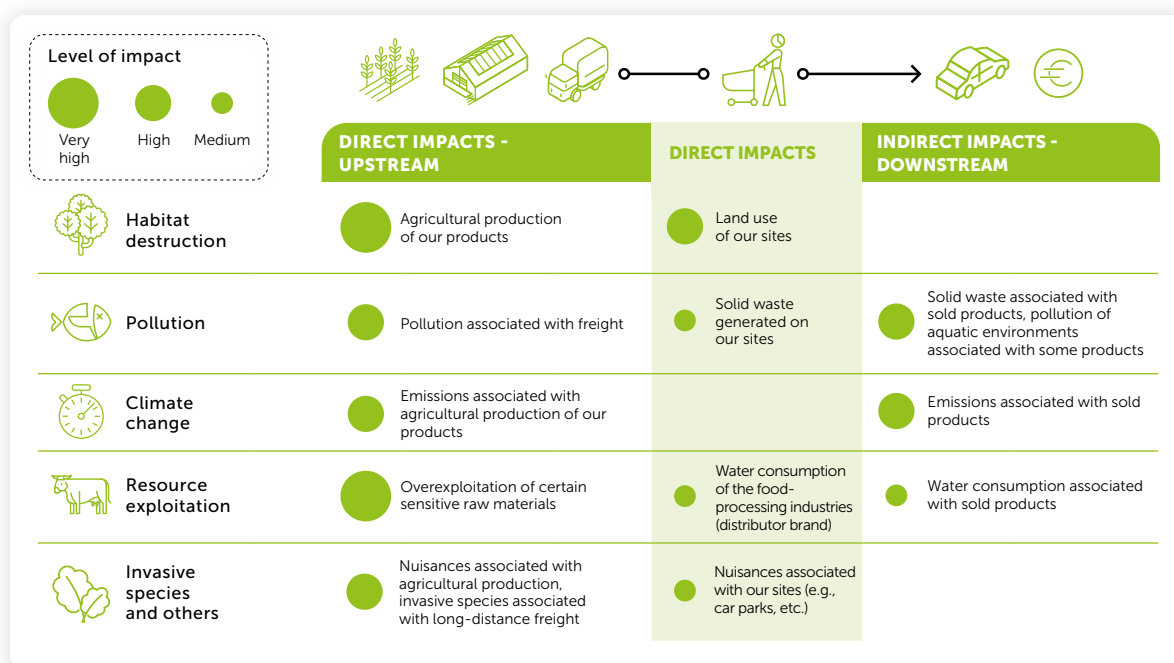
As part of its Science Based Targets for Nature engagement programme, which guides organisations in setting ambitious science-based targets for climate and nature protection, the Group mapped its impacts and dependencies on nature in 2022.

The overall approach draws on Science Based Target Network (SBTN) methodology, and its biodiversity footprint is calculated using the Corporate Biodiversity Footprint (CBF)

measurement tool. The preliminary macro-analysis showed that Carrefour impacts biodiversity in many diverse ways. The Group's activities contribute to each of the five main drivers of biodiversity loss identified by the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES). Most of these impacts occur upstream or downstream from Carrefour's direct operations. As a result, Carrefour's impacts must be assessed at the value chain level, and cover all factors of biodiversity loss.

The figure below breaks down our dependencies and impacts on nature across the entire value chain and by level of associated risk:

Mapping the impacts and dependencies of Carrefour's activities on biodiversity



The Group's biodiversity footprint measurement confirms that retail operations, especially food retail operations, have the biggest impact on biodiversity out of all of Carrefour's operations (more than 95% of its total biodiversity impact). The main contributor to biodiversity loss from among Carrefour's activities is its occupation and transformation of ecosystems, which also contributes to the loss of water resources and local pollution. Operations in France and Brazil account for two-thirds of the Group's biodiversity footprint.

Within food retail operations, animal products, particularly beef, have the highest impact on biodiversity. The ten product categories with the highest impact at Group level are: beef, pork, vegetable oils, cheese, poultry, ready-made meals, biscuits/confectionery, coffee, pet food and eggs.

Carrefour updated its materiality analysis in 2021 (see Section 1.1.7). Three biodiversity-related issues were identified as major issues for stakeholders:

- developing sustainable farming, mainly through organic farming and agroecology (ranked first);
- responsibly sourcing seafood and aquaculture products (ranked second);
- combating deforestation related to sourcing sensitive raw materials (ranked eighth).

Finally, customers have particularly high expectations regarding the following two issues: "Ecodesign of products and a circular economy for packaging" (ranked first by customers) and "Offering a customer experience and in-store/online process that makes it easier to buy healthier and organic products involving zero waste and zero plastics" (ranked second by customers).

Our initiatives

Carrefour's mission is to provide its customers with products and services that meet their needs. Carrefour's strategy is based on four key areas:

- **promoting and developing sustainable agriculture:** through organic farming, agro-ecology and the development of financing solutions that are more respectful of health and nature;
- **protecting biodiversity for sensitive materials:** One of Carrefour's goals is to limit its products' impacts on biodiversity through three key objectives: combating deforestation (palm oil, wood and paper, Brazilian beef, cocoa, soy, etc.), preserving fishery resources and developing more sustainable textile supply chains;
- **developing ecodesign and a circular economy:** The Group seeks to limit the impact of its products by reducing the amount of packaging it places on the market, improving the use and ultimate disposal of products, managing the amount of waste produced, etc.;
- **limiting the impact of our sites on biodiversity:** Carrefour aims to limit the environmental impact of its sites as much as possible. Each store, warehouse or logistics hub must monitor and optimise its water and energy consumption and its waste management, and reduce its food waste, while minimising its impact on the surrounding ecosystems and biodiversity.

Coalitions and partnerships

Act For Nature
international

Science Based
Targets for Nature
engagement
program

Lab Capital Naturel
(WWF)

Forest Positive
Coalition
(Consumer Goods
Forum)

French
government
programme

Contributions to the Sustainable Development Goals



Our objectives

TOPIC	OBJECTIVE	DEADLINE
Promoting and developing sustainable agriculture	15% of fresh food product sales generated by organic or agroecological products by 2025	2025
	All Carrefour Quality Lines must be committed to an agroecological approach by 2025	2025
	€8 billion in sales in 2026 via certified sustainable products (40% more than in 2022)	2026
	50,000 partner producers by 2026 (11,000 more than in 2022) of which 7,000 will be organic (up by 2,000 from 2022)	2026
Protecting biodiversity for sensitive raw materials	100% of sensitive raw materials must be covered by a risk reduction plan in 2025	2025
	For targets by raw material, see Section 2.1.2.3 <i>"Protecting biodiversity for the responsible supply of raw materials"</i>	
	100% Brazilian beef will be zero deforestation for Carrefour brands by 2026, and for other brands by 2030	2026 2030
Limiting the environmental impact of our sites	Recover 100% of retail waste by 2025	2025
	Reduce retail food waste by 50% by 2025 (when compared to 2016)	2025
	All new shopping centres exceeding 2,000 sq.m. and all expansion projects certified to BREEAM (Building Research Establishment Environmental Assessment Method) standards, 75% of existing shopping centres certified to BREEAM In-Use standards	-
	100% BREEAM In-Use certification of operational sites by 2025	2025
Water management	Reduce water consumption per sq.m. of sales area	-
Developing ecodesign and a circular economy for packaging (plastic)	100% reusable, recyclable or compostable packaging on Carrefour-branded items in 2025	2025
	20,000 tonnes of packaging avoided, including 15,000 tonnes of plastic packaging by 2025 (cumulative since 2017)	2025
	30% of packaging using recycled plastic by 2025	2025
	1,000 reusable packaging solutions available in-store	2025
	500 stores must have a package re-use system by 2025	2025
	€150 million in bulk sales and packaging deposits by 2026 (five times more than in 2022)	2026
	50 new "bulk" experiences	2025
Climate	See Section 2.1.3	

2.1.2.2 Supporting the transition to sustainable agriculture

Context and definition

An increasing number of consumers are changing their consumption habits. They seek out products that are more respectful of the environment and that are processed locally. To meet their expectations, producers must adapt their production methods by switching to more virtuous and sustainable techniques, such as agroecology, organic farming and soil conservation in agriculture.

With food products representing more than 80% of its sales, Carrefour is committed to supporting the transition to sustainable agriculture, in particular through its Carrefour Quality Lines brand and the development of affordable organic products. This commitment involves developing agroecology for the market and fresh product suppliers with whom Carrefour has a direct relationship, as well as limiting the use of at-risk raw materials that can have a specific impact on biodiversity.

Policy and performance

Carrefour supports its organic lines and Carrefour Quality Lines to facilitate deployment of sustainable, environmentally-friendly agricultural practices. The Group is focusing on three areas to promote a more sustainable agricultural transition: fairer terms with suppliers (including long-term pricing and volume commitments); developing and showcasing a responsible product offering; and creating financing solutions.

Carrefour is focused on increasing its organic offering and aims to generate 15% of sales from organic or agroecological food products by 2025. In France, the targets for organic and in-conversion partner farmers were reached in 2022, with 3,637 French organic and in-conversion partner farmers. Since 2018, Carrefour has supported 90 fruit and vegetable producers and 35 producers in the wine-making sector with their conversion. At end-2022, 12 producers were still in the conversion process.

Key Performance Indicators	2022	2021	Change	2022 target
Sales of organic products ⁽¹⁾	€2.6 billion	€2.7 billion	-2.2%	€4.8 billion

(1) Sales in the food, household and personal care sections.

Indicators	2022	2021	Change
Number of Carrefour-branded organic product references ⁽²⁾	1,247	1,200	+3.9%
Number of organic farming producers (supported through sector-based contractual arrangements)	3,637	3,538	+2.8%

(2) In France.

Carrefour Quality Lines serve as Carrefour's agroecology laboratories: the objective is for all product lines to feature an

Agroecology label by 2025 (e.g., "fed on GMO-free feed", "fed without antibiotics" and "grown without chemical treatment").

Key Performance Indicators	2022	2021	Change	2025 target
Penetration rate of Carrefour's quality channels in fresh products (as a %)	6.9%	7.2%	-0.3 pt	10%
Penetration rate of lines featuring an Agroecology label within the Carrefour Quality Lines (in fresh produce) ⁽³⁾	6.5%	New	-	100%

(3) Indicator measured in France in 2022 and will be extended to all countries in 2023.

Comments on 2022 performance. For the first time this year, Carrefour is tracking the percentage of Carrefour Quality Lines

that feature an Agroecology label in France. This measure will be rolled out to all countries categories in 2023.

Indicators	2022	2021	Change
Number of Carrefour Quality Lines products	844	617	+36.8%
Number of Carrefour Quality Lines partner producers	22,176	24,980	-11.2%
Gross sales of Carrefour Quality Lines products (in billions of euros)	1.13	1.13	+0.5%

Comments on 2022 performance. Since 2020, Carrefour has been working to streamline livestock chains in France (beef, pork) by applying stricter specifications, specifically those required to meet the criteria of agroecology labels, and by scaling back its number of partners. France as a whole is meanwhile experiencing a decline in its number of farms, which has consequently shrunk Carrefour's pool of partner producers.

More generally, Carrefour is introducing responsible policies for sourcing raw materials that are at risk from a social and environmental perspective (see Section 2.1.5). Animal welfare is also a strategic focus for developing sustainable agriculture (see Section 2.1.5.6 Guaranteeing ethical farming).

Action plans

1. Developing an affordable organic offering

Carrefour is investing heavily in organic food to achieve its objectives. This means activating three drivers: making the organic offering affordable by developing production channels based on support for producers; developing organic ranges that fit with consumer expectations (i.e., bulk organic offering, plastic-free offering, local produce, etc.); and making organic products accessible in-store and online.

The Group offers its organic farming suppliers three- to five-year contracts that commit to volumes and purchase prices and take account of production constraints. Carrefour also supports producers who are in the process of transitioning to organic farming through long-term contracts – lasting three to five years – which secure their investments through intermediate pricing arrangements between conventional and organic farming prices and offset the impact of lower productivity on their income. These contracts are offered in France, Romania and Taiwan. Since 2021, Carrefour has helped nearly 200 new farmers switch to organic farming. As at end-2022, the Group had 3,637 organic partner producers and had sold 1,247 Carrefour Bio-brand product references (Carrefour Bio, Nextar of Bio, Baby Bio) in France.

In its stores, Carrefour aims to offer a selection of organic products matched to consumer demand. Under Carrefour-branded products and national brands, the Group continues to adapt its product offering by adding vegan and raw products, for example. Carrefour is prioritising the elimination of plastic packaging in the Bio product range, while 80% of Carrefour Bio-brand packaging is already recyclable, reusable or compostable. Since 2018, Carrefour has been developing locally-grown organic fruit and vegetable ranges, including non-packaged produce.

Carrefour is harnessing all store formats to achieve its ambition by developing specialised stores (Carrefour Bio, So.bio, Biomonde), showcasing organic products in general stores (aisles in supermarkets dedicated to organic products, shop-in-shop in supermarkets, organic sections in convenience stores) and the creation of a benchmark omni-channel model for organic products (Carrefour.fr, Greenweez, Planeta Huerto, etc.). As of end-2022, the Group had 170 specialised organic stores in France.

2. Promoting agroecology via Carrefour Quality Lines (CQLs)

Carrefour has a unique tool for developing agroecology: the Carrefour Quality Lines (CQLs). Each Carrefour Quality Line is a partnership between the Group and partner producers. In collaboration with these producers, Carrefour has drafted a rigorous charter specific to each production chain. Since 2014, Carrefour has been working with its producers while supporting research and innovation in an effort to promote agroecology. This approach to farming uses natural processes to protect natural systems, while reducing the use of synthetic pesticides and maintaining a high level of production. Since 2020, the Carrefour Quality Lines specifications for fruit and vegetables have been recognised as equivalent to the French Ministry of Agriculture's level 2 environmental certification.

Through its Carrefour Quality Lines, the Group establishes multi-year partnerships with a view to guaranteeing greater visibility and more opportunities for producers. Under these deals, Carrefour commits to guarantees on volume over several years and fairer compensation through a jointly agreed purchase price that takes into account three key factors: production costs, the fluctuating market prices of agricultural products, and the technical aspects involved in meeting the higher quality standards set out in the specifications of Carrefour Quality Line products. The first contracts were signed in March 2021 with six Carrefour Quality Lines (CQLs). All French CQLs were under contract at end-2022, covering 11,713 producers.

Carrefour also supports its Carrefour Quality Lines suppliers by developing pilot crops and implementing progress plans to extend agroecological practices into various lines. Carrefour provides suppliers with technical assistance and adapts the terms of their agreement. The programme is reflected on the product, which displays an agroecological label⁽¹⁾. In 2022, 6.5% of the French Carrefour Quality Lines fresh products featured an Agroecology label, and this measure will be rolled out to all Group countries in 2023.

Traceability of food products from field to plate is a fundamental element in the Carrefour Quality Lines approach. To ensure best practices, Carrefour uses:

- strict, monitored specifications: with verification by an independent inspection body that checks compliance with the specifications for each line;
- blockchain technology, which provides information on the product and its journey from farm to shelf.

There are currently 844 CQL products worldwide, involving 22,176 producers and offering market-fresh produce that meets strict traceability, quality and taste criteria. In 2022, CQL product sales surpassed 1 billion euros and represented 7.2% of the Group's fresh product sales.

(1) Note that for a supply chain to be considered agroecological, the supplier must apply at least one agroecologically-aligned practice (limiting the use of antibiotics and pesticides, using local livestock feed, etc.). Similarly, products from a given supply chain are considered agroecological if at least one of the producers in the chain is engaged in agroecological initiatives.

3. Supporting suppliers

Carrefour contributes to local economic development and brings vitality to the ecosystems and regions where the Group operates. Each store has the independence necessary to adapt its product assortment and services portfolio to local needs and build close relationships with its customers. Carrefour has consequently developed an objective to work with 50,000 organic, Carrefour Quality Line, regional or local partner producers by 2026.

Carrefour continuously strengthens its partnerships with local companies in all countries. For example, the Group promotes the development of small- and medium-sized enterprises through the implementation of SME plans. The Group's SME plan in France aims to strengthen cooperation between Carrefour and SMEs across all food and non-food industries. In addition, the Group's financial services company, Finifac, has notably developed credit solutions for SMEs and farmers.

Each country builds close relationships with SMEs and sets up special contracts to develop business with them. In France, the Group has introduced a simplified two-page ultra-local contract template that all stores can use to facilitate these partnerships. One of the guarantees of such contracts is fair pricing practices. Partner producers enjoy a close relationship with Carrefour, governed by a special multi-year contract with commitments on prices and volumes, a simplified 48-hour listing process and accelerated payments within seven days. In 2022, the Group reasserted its commitment in France by signing more than 4,038 contracts with local or regional SMEs (representing 3,264 suppliers). Carrefour chose to extend multi-year agreements, which represented 50% of regional agreements in France by 2022. These three-year commitments bring added security to all categories of suppliers.

Carrefour also provides financial support for various organic and/or agroecological projects. The crowdfunding platform *JeParticipe.carrefour.com* was launched in 2019 in partnership with MiiMOSA to finance agricultural food transition projects. More than 230 projects had been financed as at end-2022. A full 30 projects were listed and around 20 events held at Carrefour stores for Zero Kilometre weeks (June and October 2022). In total, 6.5 million euros was raised through this channel. In 2021, Carrefour invested 5 million euros in the crowdfunding platform to support the food transition. One year later, 29 projects had

been financed through MiiMOSA and 52% of these projects were initiated by Group suppliers. Through this platform, Carrefour became the fund's biggest private investor, providing 10% of the funding for all projects.

The Carrefour Foundation, for its part, supports organisations that promote agricultural practices such as agroecology, the transition to organic farming and urban agriculture. In 2022, 24 sustainable and solidarity-based agricultural projects were funded by the Foundation for a total amount of 2,125,140 euros (41% of the overall budget). In Belgium, the Carrefour Foundation, through three organisations (Farming for Climate, Regenacterre and Farm for Good), supports advocacy and training for actors in the Belgian farming industry that promote regenerative agriculture. In Brazil, it supports IDH, which assists veal producers that respect forest resources. In this way, the Carrefour Foundation helps to create fair and steady compensation for producers.

Joint initiatives and partnerships

- Farm for Good, Farming for Climate and Regenacterre
- Cirad (a French agricultural research body focused on international cooperation)
- MiiMOSA
- Open Agri Food

+ Find out more

- *Carrefour.com*: [Guaranteeing ethical farming/CSR](#) (see the Business ethics and supply chains section)
- *Carrefour.com*: [Taking action to combat deforestation/CSR](#) (see the Biodiversity section)
- *Carrefour.com*: [Protecting biodiversity/CSR](#) (see the Biodiversity section)

2.1.2.3 Protecting biodiversity for the supply of sensitive raw materials

Context and definition

The production of certain raw materials can have significant consequences for biodiversity (deforestation, environmental pollution, risks to species, etc.), and the globalisation of supply chains makes it difficult to monitor and trace them. However, everyone participating in these supply chains can work to improve the practices used to produce these raw materials. Civil society, which is increasingly aware of and informed about these issues, is pushing for this change. In fact, consumers are demanding more information, better quality products and greater transparency.

Carrefour intends to play an active role in responding to this demand. For example, it has categorised certain raw materials, such as soy, palm oil, cotton and fishery products, as "sensitive" and subject to closer scrutiny. Carrefour's objective is to limit the biodiversity impact of its store merchandise by actively helping to improve farming practices, fishing and land use methods and manufacturing processes. To do so, Carrefour works in close cooperation with stakeholders such as NGOs and certification bodies, and is setting up systems that improve the traceability of certain products.

Policy and performance

This section presents the new targets set for each sensitive raw material and the progress achieved to date. In 2022, the

Group renewed and stepped up its commitment to responsible sourcing of raw materials.

Key Performance Indicators ⁽¹⁾	2022	2021	Change	Target
Sensitive raw materials: progress made in rolling out action plans on sensitive raw materials (as a %)	61%	55%	+6 pts	100% by 2025

(1) This composite indicator covers raw materials considered a priority in the fight against deforestation (palm oil, Brazilian beef, soy, cocoa and trader traceability), protection of fishery resources and sensitive raw materials for textiles (cotton, cashmere and viscose).

Tackling deforestation

As part of its "Zero Deforestation" policy, the Group has committed to the following targets:

- 1. palm oil:** 100% of palm oil and palm kernel oil used as an ingredient in Carrefour-branded products must be RSPO-certified under the "Segregated" system by 2022;
- 2. soy:** 100% of Carrefour Quality Lines and key Carrefour-branded products must use deforestation-free soy for livestock feed by 2025;
- 3. wood and paper:** 100% of paper and cardboard packaging for all certified products must comply with the sustainable forests policy by 2025;
- 4. Brazilian beef:** All Brazilian beef suppliers to be geo-monitored and compliant with the forest policy or committed to ambitious policies to combat deforestation by 2025 (this system aims to ensure that all farms that supply slaughterhouses directly are geo-monitored).
- 5. cocoa:** 100% of Carrefour-branded chocolate bars must comply with our Sustainable Cocoa Charter by 2023 (in France, Belgium, Spain and Italy);
- 6. traceability and assessment of traders:** 100% of key traders (intermediaries trading in agricultural commodities near the beginning of the supply chain) must be assessed and be making progress towards complying with the forest policy (palm oil, soy, wood and paper, Brazilian beef, cocoa) by 2025;
- 7. textiles:** 100% of wood-based fibres (i.e., viscose, modal and lyocell fibres) used in our TEX products must be deforestation-free by 2023.

Indicator – Palm oil ⁽²⁾	2022	2021	Change	Target
Proportion of palm oil used in Carrefour-branded products that is certified sustainable and fully traced (RSPO segregated)	83.4%	82.1%	+1.3 pts	100% at end-2022
Percentage of palm oil used in Carrefour-branded products that is certified to RSPO or equivalent standards	99.9%	99.9%	0 pt	-

(2) Calculated based on weight of raw material contained in the products. Scope: 94% of 2022 consolidated gross sales. Non-comparable BUs (IT excl. in 2022).

Comments on 2022 performance. Since 2021, significant work has been done to ensure almost all (99.9%) of the palm oil used in Carrefour-branded products was RSPO-certified

(Segregated or Mass Balance). Efforts to certify and trace all palm oil slowed in 2022 due to the crisis in Europe.

Indicator – Wood and paper	2022	2021	Change	Target
Carrefour-branded products in ten priority categories sourced from sustainable forests (in millions of euros)	292	574	-49.4%	
Proportion of Carrefour-branded products in ten priority categories sourced from sustainable forests (<i>as a %</i>)	90.7%	80.2%	+10.5 pts	100%

Comments on 2022 performance. The Group is continuing to roll out its sustainable forest policy across all ten of its priority product families containing wood or paper (such as toilet

paper and wood furniture) in every country where the Group operates. Furthermore, Carrefour is working on developing a reporting methodology for compliant cardboard packaging.

Indicator – Brazilian beef ⁽⁵⁾	2022	2021	Change	Target
% of Brazilian beef suppliers ⁽¹⁾ that are geo-monitored and comply with our forest policy or are committed to an ambitious policy to combat deforestation	89.7%	86.9%	+2.8 pts	100% by 2025
Proportion of Carrefour-branded Brazilian beef that is zero deforestation (sourced outside at-risk areas)	New			100% in 2026

(5) Scope: Carrefour Brazil and Atacadão. Direct suppliers of fresh, frozen and processed meat, distributors and warehouses.

Comments on 2022 performance. In 2021, Carrefour expanded geo-monitoring of its Brazilian beef supply chain for Atacadão in Brazil. In 2022, Carrefour Brazil and Atacadão used geo-referencing to monitor more than 33,000 farms.

This growth is aligned with the target to use geo-monitoring with 100% of Brazilian beef suppliers that comply with our forest policy or are committed to an ambitious policy to combat deforestation by 2025.

Indicator – Soy ⁽⁶⁾	2022	2021	Change	Target
Percentage of Carrefour Quality Lines and other key Carrefour-branded products that use zero-deforestation soy as animal feed	19.7%	2.9%	+16.8 pts	100% by 2025

(6) Carrefour Quality Lines products and key Carrefour-branded products (excluding discount and no-name products): the following unprocessed fresh or frozen products (excluding deli meats) – chicken, turkey, pork, beef, veal, lamb, salmon, eggs, milk, minced meat. Scope: Non-comparable BUs (IT excl., BR C excl. and AR excl.) 83% of 2022 consolidated gross sales vs. 54% in 2021.

Comments on 2022 performance. In 2021, Carrefour defined sourcing criteria for zero-deforestation soy and for the first time published the percentage of its key products that use zero-deforestation soy for France. In 2022, Carrefour implemented this measure in other countries and published its

results for France, Spain, Belgium, Poland and Romania. As part of an improvement policy, Carrefour aims to continue to expand its coverage and include the remaining countries in 2023.

Indicator – Cocoa ⁽⁷⁾	2022	2021	Change	Target
Percentage of Carrefour-branded chocolate bars that comply with our Sustainable Cocoa Charter	31.4%	30.8%	+0.6 pts	100% by end-2023

(7) Scope: BE, ES, FR, IT. Comparable BUs. 100% of 2022 consolidated gross sales.

Comments on 2022 performance. After establishing a Sustainable Cocoa Charter for its chocolate bars, for the first time in 2021, the Group reported the proportion of cocoa mass used for chocolate bars sold in Belgium, France, Italy

and Spain that complies with the charter. In 2022, the percentage of sustainable cocoa mass was lower than targeted and will be the focus of an action plan in 2023.

Indicator – Traceability and assessment of traders ⁽⁸⁾	2022	2021	Target
Traceability and assessment of traders: 100% of key traders assessed by 2025	100%	100%	100% by 2025
Traceability and assessment of traders: 100% of key traders making progress towards complying with our policy by 2025	Assessed based on 2022 data	100%	

(8) Traders: intermediaries trading in agricultural raw materials near the beginning of the supply chain.

Comments on 2022 performance. Work on traceability has been initiated to identify intermediaries trading in at-risk raw materials near the beginning of the Group's supply chain. Carrefour worked with the Consumer Goods Forum to define an anti-deforestation policy assessment methodology for traders in its supply chains. In 2022, 36 traders were assessed. Efforts are going into improving the reliability of assessment criteria so that traders' progress can be measured by 2023.

Protecting fishery resources

Targets for end-2025:

Carrefour has set a target to ensure that 50% of all fish sold comes from sustainable sources by 2025 for all store sections (national and private-label products).

Key Performance Indicators	2022	2021	Change	Target
Percentage of sales of fishery and aquaculture products, controlled products, and national brands produced using sustainable practices ⁽¹⁾	34.5%	35.1%	-0.6 pts	50% by 2025
Percentage of sales of controlled fishery and aquaculture products produced using sustainable practices ⁽²⁾	49.5%	52.8%	-3.3 pts	

(1) Scope: 95% of 2022 consolidated gross sales. Non-comparable BUs (BR C excl. in 2022). Sustainable fish sales comprise fish certified as organic, MSC, ASC or from Carrefour Quality Lines, as well as fish sold under other responsible programmes. This ratio includes all controlled products sourced from fishing or aquaculture and all national brand products across all product categories sourced from fishing or aquaculture (scope extended in 2021).

(2) Scope: 95% of 2022 consolidated gross sales. Non-comparable BUs (BR C excl. in 2022).

Comments on 2022 performance. Since 2021, Carrefour has aimed to raise its targets and measure the share of sustainable fishing for more national-brand products and more product categories. Efforts were made to expand scope coverage. Further efforts are expected in 2023 to increase the percentage of sales of responsibly sourced fishery and

aquaculture products, so as to meet the 50% target by 2025.

Developing more sustainable textile supply channels

In 2021, the Group committed to ensuring that 100% of its natural raw materials for textiles (cotton, wood fibre, cashmere and wool) is sourced from suppliers that comply with its TEX sustainability policy by 2025.

Key Performance Indicators	2022	2021	Change	Target
Percentage of natural raw materials for textiles that comply with our TEX sustainability policy	46.4%	41.6%	+4.8 pts	100% by 2025
% of TEX products made with organic cotton	21%	18%	+3 pts	50% by 2025
% of wood-based fibres in our TEX products that are deforestation-free	71%	40%	+31 pts	100% by 2023
Percentage of wool in our TEX products that guarantees sheep welfare and protects soils and ecosystems	25%	New	-	100% by 2025
Percentage of cashmere used in our TEX products that guarantees goat welfare and comes from land that incorporates strategies to reduce desertification	100%	100%	-	100% in 2021

Comments on 2022 performance. In 2021, Carrefour reported for the first time the proportion of responsible textiles among its cotton, wood-based fibres and cashmere products. In 2022, these disclosures were extended to wool. The percentage of these various natural, textile raw materials that comply with our TEX sustainability policy is increasing.

Action plans

Carrefour has established social and environmental compliance guidelines for its retail and non-retail purchases. These rules apply to all controlled products purchased in all the Group's countries, and may also apply to national brand products as appropriate. The Group has created a list of sensitive raw materials that must be covered by action plans by 2025. The following raw materials were included in the CSR index and were the focus of specific action plans: palm oil, fish and seafood, Brazilian beef, soy, cocoa, cotton, wool, cashmere and wood-based fibres.

Specific raw materials purchasing rules are drawn up in concertation with the stakeholders (i.e., experts, NGOs, customers, suppliers, public authorities, etc.). Comprehensive objectives and action plans are devised, deployed and monitored by a dedicated project management team. The purchasing rules for the food transition – including purchasing objectives and criteria for at-risk raw materials – were updated in 2021 and circulated to all countries. Training courses were organised for the Merchandise and Quality departments and the actions put in place are brought to the attention of consumers.

1. Tackling deforestation

To step up the Group's commitment to forests and help drive systemic changes with all market stakeholders, Alexandre Bompard began co-leading the Consumer Goods Forum's Forest Positive Coalition of Action in 2020, bringing together 20 companies who are eliminating deforestation in their supply chains through concrete measures such as jointly assessing traders' policies and the degree to which they are implemented. The coalition uses these assessments to get traders to apply measures to combat deforestation across their own supply lines. For individual traders, these assessments can serve as a basis for dialogue and specific trade measures. This process has already been adopted for soy and palm oil. Carrefour is currently working on deploying a similar approach for beef.

As part of its Carrefour 2026 strategic plan, the Group aims to take the fight against deforestation further. The Group announced that all Carrefour-branded beef from Brazil would be guaranteed zero deforestation by 2026, by moving out of at-risk areas and delisting any farms located in these areas. This commitment will be extended to brands sold by the Group by 2030.

MONITORING DEPLOYMENT

Material	Key issue	Solution deployed/identified
Palm oil	Impact on biodiversity and land use. Social development. Working conditions.	Group-level purchasing policy and rules devised for products containing palm oil: the sourcing of palm oil complies with RSPO certification requirements. Collective involvement of traders in the CGF and factoring outcomes into purchasing decisions.
Brazilian beef	Impact on biodiversity and land use. Contribution to global warming.	Geo-referencing platform that maps the location of beef suppliers, including direct suppliers (slaughterhouses) and the farms that supply them directly. Pilot project to monitor indirect suppliers. Collective involvement of traders in the CGF and factoring outcomes into purchasing decisions. Investment in landscape approach projects to ensure full traceability from veal production to stores. Initiatives to educate and encourage Brazilian retailers to implement the unified <i>boi na linha</i> protocol (https://www.boinalinha.org/) to monitor the beef supply chain across Brazil. Creation of a Forest Committee in Brazil made up of experts to guide it in its actions to combat deforestation.
Wood and paper	Impact on biodiversity and land use.	Group-level purchasing policy and rules provide for the use of FSC and PEFC or recycled wood and paper, or the performance of specific audits based on level of risk. This policy applies to ten priority ⁽¹⁾ product categories that account for more than 80% of wood and paper supplies and for any development or replacement of packaging. Paper for commercial publications is FSC- or PEFC-certified, or recycled.
Cotton	Impact on biodiversity and land use. Local pollution linked to pesticides. Water consumption. Social development. Working conditions.	Prohibiting sourcing from Uzbekistan and Turkmenistan. Developing 100% traced organic cotton lines in India (see case study in Section 2.1.5.3 Tracing production channels and communicating transparently). Developing blockchain technology for baby products and household linens to provide consumers with full farm-to-store traceability via QR code.
Soy	Impact on biodiversity and land use. Local pollution.	Certification (ProTerra) and development of local livestock feed chains that guarantee zero deforestation in all countries. Participation in local initiatives such as <i>Moratoire amazonien sur le soja</i> and <i>Cerrado Manifesto</i> . Signing of a Soy Manifesto by French industry players, insertion of non-conversion/ non-deforestation clauses into agreements with key suppliers. Collective involvement of traders in the CGF and factoring outcomes into purchasing decisions.
Cocoa	Impact on biodiversity and land use. Sensitivity to global warming. Social development. Working conditions.	Transparence Cacao programme for Carrefour chocolate bars (Carrefour Sélection & Carrefour Bio products) in France. Definition of a Cocoa Commitment Charter that applies to all suppliers of Carrefour-branded chocolate bars, with a focus on combating deforestation, ensuring no child labour is used and securing better compensation for growers. In 2019, Carrefour joined the Retailer Cocoa Collaboration to participate in a dialogue between retailers and cocoa suppliers, allowing for the collective involvement of traders and for outcomes to be factored into purchasing decisions. In 2021, Carrefour joined the French Sustainable Cocoa Initiative, which brings together public authorities, NGOs, the Syndicat du chocolat (French chocolate trade union), traders and scientists to develop a sustainable cocoa supply chain.
Bananas	Impact on biodiversity and land use. Sensitivity to global warming. Social development. Working conditions.	Development of agroecological and organic fair trade solutions. Work on agroecological banana production in Africa and the French Antilles. Investment in a field project in Peru for Carrefour-branded organic fair trade bananas with Max Havelaar.

(1) The ten priority controlled product families identified for G4 by the French teams are: toilet paper; paper towels; printing paper; nappies; handkerchiefs; exercise books and notebooks; paper sheets; paper napkins and tablecloths; charcoal; incontinence and feminine sanitary towels; wooden furniture.

2. Protecting fishery resources

The Group has set itself the target of sustainably sourcing 50% of its fish by 2025 (Carrefour brands and national brands for fresh products).

With this in mind, Carrefour works closely with producers and other players in the sector on the following points:

- favouring the more abundant species, products certified by MSC as being from sustainable sources, and fishing techniques having the least impact on ecosystems. Carrefour has also stopped selling vulnerable species;
- supporting the development of responsible aquaculture practices through the promotion of best practices (limiting industrial fishing, banning the use of antibiotics and, if applicable, practising GMO-free feeding) and greater emphasis on ASC-certified products;

- supporting local sustainable fishing through local partnerships;
- highlighting a broad range of sustainably sourced seafood products in-store;
- promoting the combat against illegal fishing.

The Carrefour Foundation has also partnered with WWF France in a research project on sharks and rays in the Mediterranean. This initiative aims to identify an aggregation hotspot to learn more and help in designing the future appropriate management measures for pelagic sharks and rays. This project fosters ties between fishermen and scientists in the form of at least one working group to safeguard these species within at least two fleets in the western Mediterranean.

MONITORING DEPLOYMENT

Material	Key issue	Solution deployed/identified
Fish and seafood	Impact on biodiversity. Working conditions.	Group-wide shared purchasing policy and rules are in place for fishery and aquaculture products: a range of solutions are used, including BIO, MSC, ASC, Carrefour Quality Lines and other responsible approaches (e.g., small-scale fishing, fishing techniques that respect the marine environment, and alternatives to using fishmeal in aquaculture fish feed).

3. Developing more sustainable textile supply channels

In 2019, Carrefour became a signatory of the Fashion Pact, a global coalition of 56 companies representing approximately 250 brands in the fashion and textile industry. The Fashion Pact's goals are focused on three areas:

- stopping global warming (reducing CO₂ emissions);
- restoring ecosystems and protecting key species (by promoting sustainable supply chains: organic cotton, sustainable cellulose fibre, animal fibres that respect animal welfare, and land conservation);

- protecting the oceans (phasing out single-use plastics, reducing microplastic pollution).

Carrefour plans to achieve these objectives through two major initiatives:

- responsible production of agricultural raw materials;
- and plans for monitoring, assessing and improving the environmental performance of its suppliers.

MONITORING DEPLOYMENT

Material	Key issue	Solution deployed/identified
Textiles: wool, cashmere	Animal welfare. Impact on biodiversity and land use.	Traceable supply lines, ensuring improved farming conditions and soil recovery.
Textiles: recycled polyester	Local pollution.	Recycled material incorporated into the product manufacturing process.
Textiles: viscose	Impact on biodiversity and land use.	Wood fibres used in FSC-certified products.

Joint initiatives and partnerships

- Consumer Goods Forum
- Round Table for Sustainable Palm Oil
- Marine Stewardship Council
- Retailer Cocoa Collaboration
- WWF France
- ICare

+ Find out more

- *Carrefour.com*: [Protecting biodiversity/CSR](#) (see the Biodiversity section)
- *Carrefour.com*: [Ensuring animal welfare/CSR](#) (see the Business ethics and supply chains section)
- *Carrefour.com*: [Taking action to combat deforestation/CSR](#) (see the Biodiversity section)

2.1.2.4 Developing ecodesign and a circular economy**Context and definition**

More than 350 million tonnes of plastic are produced each year worldwide, with 40% for packaging. And the figure is constantly on the rise. Plastics are harmful to the environment and to biodiversity. Ineffective collection and recycling infrastructure in many countries can lead to plastic waste "leaks" into the environment, where it remains unprocessed. From there it can be carried away by winds and currents, and end up contaminating marine environments. It is estimated that around 250 kg of plastics⁽¹⁾ enter the world's oceans every second. This plastic waste will have various impacts on biodiversity: ingestion, pollution from its components (pesticides, lead, heavy metals, etc.), transport of invasive species that cling to it, etc.

The use of plastics is closely linked to the boom in large-scale retail: they solve transport, preservation and food safety issues. Consequently, the retail sector has a key role to play in changing practices and meeting the expectations of its consumers, who are increasingly well-informed about

environmental issues. With this in mind, Carrefour wishes to spearhead the sector's transition towards a more reasonable, measured and conscious consumption of the packaging in its stores and used for its products. It aims to do so by working alongside its competitors to promote the ecodesign innovations of product and packaging suppliers, raising consumer awareness on the matter, and partnering with NGOs in the field.

It calls upon its ecosystem of suppliers, customers and NGOs to help it achieve these goals. Consumers are getting behind the efforts undertaken: according to a comparative study by Alkemics OpinionWay, although the health crisis has resulted in a slight decline in the relative importance accorded to this issue, it still remains highly relevant and topical. Despite the impact of the health crisis, customers continue to express a preference for recyclable or even reusable packaging across many categories of food products.

Policy and performance

In 2019, the Carrefour group was a founding signatory of France's National Pact on Plastic Packaging. Then, in March 2020, it joined the European Plastics Pact, which brings together governments and companies that are pioneers in reusing and recycling single-use plastic products and packaging. The Group reaffirmed its targets set for 2025: to reduce packaging by 20,000 tonnes, to incorporate recycled plastic into 30% of packaging, and to ensure that all Carrefour-branded packaging is reusable, recyclable or

compostable. With the adoption of the new strategic plan, Carrefour 2026, these targets have been confirmed and a new bulk development objective has been announced: sales are set to reach 150 million euros by 2026 (i.e. a fivefold increase compared to 2022). Carrefour's policy therefore seeks to reduce the quantity of packaging it places on the market as well to improve the use and ultimate disposal of the packaging that remains necessary, by guaranteeing, for example, its re-use or recycling.

(1) Surfrider Foundation.

Key Performance Indicators	2022	2021	Change	Target
Cumulative reduction of packaging since 2017 (<i>in tonnes</i>)	16,390	10,906	+50%	20,000 tonnes by 2025
Percentage of Carrefour-branded packaging that is reusable, recyclable or compostable ⁽¹⁾	57%	46%	+11 pts	100% by 2025
Percentage of Carrefour-branded packaging that uses recycled plastic ⁽²⁾	7.7%	New		30% by 2025

(1) Scope: 71% of 2022 consolidated gross sales. Non-comparable BUs (FR only in 2021; ES, IT, PL and AR excl. in 2022).

(2) Scope: 63% of 2022 consolidated gross sales. Non-comparable BUs (FR only in 2021; BE, ES, IT, PL and AR excl. in 2022).

Comments on 2022 performance. Carrefour is ahead of schedule regarding its targets for reducing the amount of packaging that it puts on the market, with significantly more progress made in all Group countries since 2021. In 2021, Carrefour published, for the first time, the percentage of its packaging that is reusable, recyclable or compostable in France. In 2022, the reporting methodology was applied in Belgium, Romania and Brazil. Carrefour aims to extend its scope to the remaining countries by 2023. Likewise, reporting of the percentage of recycled plastics in packaging was extended from France to cover Romania and Brazil in 2022 and will continue to be rolled out to the other countries in 2023.

Action plans

Carrefour's commitments in each country form the basis for action plans with the following focuses:

1. Transform the customer experience by developing reusable packaging solutions

Reusable packaging solutions in all formats appear in stores: Carrefour was the first retailer to introduce a "bring your own container" campaign in all European countries, where customers would be able to use their own containers for products bought at traditional foodstuff sections: fish & seafood, meats, delicatessen, etc. In France, all bio-plastic bags have been removed from store shelves and replaced by brown paper bags and reusable organic cotton bags. Carrefour is also developing e-commerce solutions to promote reusable packaging solutions. A short, circular-economy loop has been set up for all home delivery bags used by *Carrefour.fr*: over 600,000 bags per year are recovered and reused. With TerraCycle, Carrefour launched Loop by Carrefour in 2019, making the Group one of the first French retailers to introduce a returnable packaging solution in partnership with Loop. Loop is a system of returnable long-life containers that helps cut down on single-use packaging. It included more than 47 product references at end-2022. This initiative was also introduced into stores in October 2020 and consumers are now able to return containers for certain products in seven Paris convenience stores. By the end of 2022, 23 stores offered the Loop returnable packaging service.

In 2022, four Carrefour stores in Brittany ⁽¹⁾ tested the system of reusable packaging. Together with the Distro cooperative, the Brasserie de Bretagne and several beverage companies have joined the returnable container initiative in the region. Customers can find returnable bottles in a specific stand in the store. Some bottles will require a minimum deposit, while others will not be subject to a deposit in the store but a financial incentive in the form of a voucher will reward customers who return their empty bottles to the collection machines available.

2. Reducing and eliminating plastic packaging in stores by adopting a customer perspective

Carrefour has established a number of priorities based on in-store surveys conducted in France and Spain to identify customers' main concerns. Bio-plastic bags were replaced with brown paper bags for all organic fruits and vegetables in various French hypermarkets and the Group continues its drive to replace packaging with recyclable alternatives. For example, these changes helped achieve reductions of 1,400 tonnes of plastic for bags in fruit and vegetable stands. In 2022, the introduction of the "Ephiphany bag" to replace plastic packaging on the traditional cake eaten in France at that time for year (*galette des rois*) resulted in a reduction of almost 75 tonnes of plastic.

Priority is given to non-packaged items in all Carrefour organic produce formats and sections. At end-2022, nearly 250 product references were available in non-packaged form in France.

3. Ensuring the recyclability of packaging and making it easier for consumers to collect and sort

Ecodesign initiatives are being rolled out in all countries to make packaging more recyclable. In Brazil, a packaging recyclability index has been introduced. All Carrefour own-brand suppliers underwent a recyclability diagnostic in 2019, resulting in the replacement of non-recyclable packaging for more than 5.4 million products. To promote this initiative among consumers, a specific logo identifies all recycled, recyclable, reusable and compostable products. In France, Carrefour supports (Re)Set Retail, a packaging innovation accelerator working on new complex formats for biscuits, salads, etc.

Carrefour works with customers to improve collection and sorting. Due to the positive results achieved, two additional RVMs (Reverse Vending Machines) have been installed in the Chartres and Rambouillet stores to collect bottles for recycling.

(1) Two Carrefour hypermarkets, in Plouzané and Saint Renant, as well as the Market in Milizac and the Carrefour Contact in Locmaria Plouzané.

The Group is also getting its suppliers involved in the Food Transition Pact network, which provides a platform for sharing best practices and new opportunities for working together. Participating suppliers sign up to an action plan that includes eliminating unnecessary packaging, reducing packaging volumes and providing clear information about recycling. In 2022, 204 suppliers were members of the pact, including 36 international suppliers.

Lastly, the Group is working with other companies to collectively think about how to use less plastic and innovate to develop a circular economy. The companies involved have made the following commitments:

- eliminate all problematic or redundant packaging;
- develop non-packaging and reusability solutions;
- ecodesign and recyclability;
- accelerate recycling;
- include recycled plastic;
- develop innovative solutions.

4. Include more recycled materials in our packaging

In 2021, the Group reaffirmed its commitment to use recycled plastic for 30% of packaging by 2025.

Joint initiatives and partnerships

- Global Declaration on Plastics & New Plastics Economy: signed in December 2018
- National Pact on Plastic Packaging for 2025: founding signatory in 2019
- (RE)SET: innovation accelerator on replacements for problematic packaging standards (non-recyclable plastics, nomad packaging, etc.)
- Loop: launch of the Loop by Carrefour project in cooperation with Carrefour own-brand and national brand suppliers

+ Find out more

- *Carrefour.com*: [Protecting biodiversity/CSR](#) (see the Biodiversity section)
- New plastics economy: <https://www.ellenmacarthurfoundation.org/our-work/activities/new-plastics-economy>
- National Pact on Plastic Packaging: https://www.ecologique-solidaire.gouv.fr/sites/default/files/2019.02.21_Pacte_National_emballages_plastiques.pdf

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2.1.2.5 Limiting the environmental impact of our sites

Context and definition

Carrefour's stores and warehouses can have an impact on the environment through their GHG emissions, water consumption, waste production, food waste, pollution linked in particular to transport to and from sites, soil sealing, and more. Limiting these impacts involves anticipating and attempting to minimise them, first in site design and then during everyday operations.

With 1,128 hypermarkets, 3,842 supermarkets, 8,573 convenience stores, 551 cash & carries, 140 warehouses

(including 15 dedicated to serving the online business) and logistics hubs worldwide, Carrefour is committed to limiting the impact of its buildings on the ecosystem at a level greater than what existing regulations require.

Consequently, each site can play its part by working with regional stakeholders to take biodiversity-positive actions that are appropriate for its geographic location. This includes ecodesigning its buildings and renovating them to be more sustainable, taking action to reduce waste (including food waste), managing water consumption and implementing measures to reduce the pollution associated with buildings.

Policy and performance

Waste and food waste management. Carrefour is targeting minimum waste production and recovery of 100% of store waste by 2025. It also aims to reduce food waste in 2025 by 50% compared to 2016.

Key Performance Indicators	2022	2021	Change	Target
Percentage of food waste recovered <i>(by weight)</i> ⁽¹⁾	57.8%	53.2%	+4.6 pts	
Reduction in food waste since 2016 <i>(in kg/sq.m.)</i> ⁽¹⁾	-40%	-28%	+12 pts	-50% by 2025

(1) Scope: excluding ES (SM, C&C), IT (CO, C&C), BE (HM, SM) and BRAT (HM, C&C). Non-comparable BUs (70.9% of 2022 consolidated gross sales, vs. 90.2% in 2021).

Indicator	2022	2021	Change	Target
Proportion of hypermarket and supermarket waste recovered ⁽¹⁾	74.5%	68.5%	+6 pts	100% by 2025
Total waste <i>(in thousands of tonnes)</i> ⁽²⁾	587	646	-9%	-

(1) Scope: Non-comparable BUs (BE excl. and IT CO and CC excl.) (95% of 2022 consolidated gross sales vs. 94% in 2021).

(2) Scope: Non-comparable BUs (BE excl. and IT CO and CC excl.) (95% of 2022 consolidated gross sales vs. 94% in 2021).

Comments on 2022 performance. The reduction of food waste is progressing with a reduction in unsold food and an increase in the share of unsold food that is recovered. The development of initiatives such as the sale of anti-waste baskets makes it possible to offer products at low prices while reducing waste. The waste recovery and reuse rate increased to 75% in 2022 from 68% the year before, led by the in-store initiatives.

Water management. Carrefour's policy is focused on promoting responsible water use, seeking to reduce water consumption and impacts upstream, as well as in its operations and downstream. It focuses on the direct impacts of its business operations as well as the indirect impacts linked to products sold in stores. In particular, Carrefour is working to reduce water consumption per sq.m. of sales area.

Indicators	2022	2021	Change
Water consumption per sq.m. of sales area <i>(in cu.m./sq.m.)</i>	1.3	1.2	+10%
Amount of water consumed <i>(in millions of cu.m.)</i>	12.2	11.5	+5.7%

Property management. In France, Spain and Italy, all new shopping centre constructions and expansions larger than 2,000 sq.m. are BREEAM (Building Research Establishment Environmental Assessment Method) certified. BREEAM In-use certification has been rolled out across 75% of sites, meaning

that Carrefour's objective was achieved a year ahead of schedule. BREEAM In-Use certification is renewed every three years further to an audit. In 2022, 21 new Carmila sites were certified in Spain and France.

Indicators	2022	2021	2020	Change	Target
Projects certified to BREEAM New Construction standards (as a %) ⁽¹⁾	100%	100%	100%	-	100%
Sites certified to BREEAM In-Use standards (as a % by value) ⁽¹⁾	94.2%	90.6%	86%	+3.6 pts	-
■ o/w Very Good (as a % by value)	33%	57%	75%	-24 pts	-
■ o/w Good (as a % by value)	59%	30%	25%	+29 pts	-

(1) Scope: sites managed by Carmila in France, Italy and Spain.

Action plans

1. Manage waste and prevent food waste

In collaboration with its suppliers, Carrefour works to cut down the production of waste packaging and point-of-sale advertising materials at each store. This involves encouraging waste sorting and recovery through innovative solutions such as joint collection rounds and biomethane and compost production from organic waste.

Carrefour's global strategy includes participating in the development of sorting and recovery processes in countries where these are covered by official regulations. This involves joint work on the recovery of cardboard, plastic, organic waste and wood, the aim being to transform the constraint of waste management into financial opportunity. In countries without regulations on the matter, Carrefour takes part in developing these kinds of structures.

At the global level, nearly a third of gross agricultural production is wasted or lost before consumption⁽¹⁾. According to ADEME (French Environment & Energy Management Agency), the French retail sector accounts for 14% of losses and waste by weight⁽²⁾. Aside from the related ethical and economic issues, this wasted food, which is produced, processed, packaged and transported before potentially being thrown away, is likely causing environmental impacts. These include the five main drivers of biodiversity loss, since producing these products contributed to:

- the use of agricultural land resulting in land artificialisation, habitat degradation and fragmentation, soil degradation and loss of soil function and biodiversity;
- overexploitation of biological resources;
- environmental pollution, such as from nitrogen and phosphorus used in agriculture or air pollutants emitted at various stages;
- the spread of invasive alien species, especially for products transported over long distances.

Due to its position at the end of the food value chain and as a retailer, Carrefour has a role to play in combating food waste (See also Section 2.3.1.4 Combating food waste). When a food product is wasted, all of the earlier stages (agricultural production, storage, processing, packaging and transport) and their corresponding environmental impacts can be considered wasted as well. In addition to reducing food waste on its own sites, Carrefour endeavours to reduce food waste at other stages of the value chain, especially with its suppliers. For example, it

can suggest solutions for products that do not meet specifications for reasons unrelated to taste quality (size, differences between batches, colour, etc).

Country-specific initiatives

- France: launch in 2022 of work on waste contracts to improve the rate of sorting waste.

2. Saving water

Carrefour conducted an analysis of water consumption issues, including direct and indirect depletion, direct and indirect discharge of organic materials, pesticides, industrial discharge, soil sealing, changes in land use, and deforestation. In 2021, Carrefour updated an analysis of the physical water-related risks for all of its sites. An analysis of the water impact of the Group's supplies has also been carried out to assess the risks associated with the products sold by the Group. This enabled the Group to set priorities and draw up action plans designed to limit the water footprint and impacts of its products and business operations.

The Clean Water project is a good example of an action plan deployed in sourcing operations. This worldwide programme aims to identify the main global and regional environmental risks for the textile industries, and to raise awareness, train and monitor suppliers in the management and efficiency of processes that consume water and chemical products.

Carrefour Quality Lines products are produced using enlightened sustainable farming practices that comply with agroecology principles. Reducing water consumption is therefore both a production criterion and a quality driver.

Stores are gradually phasing in solutions to reduce their water consumption, including precise monitoring (with dedicated meters), and new solutions. Given the nature of their business, stores do not produce heavily polluted wastewater. Nevertheless, wastewater treatment and recycling systems have been introduced in some countries.

Country-specific initiatives

- Spain and Italy: installation of smart water meters to improve the monitoring of water consumption and detect potential water leaks.

(1) FAO, 2011, Global food losses and food waste – Extent, causes and prevention, Rome.

(2) ADEME, 2016, Food losses and waste – Inventory and management at each stage in the food chain.

3. Protect biodiversity on our retail sites

With regard to the real estate business of Carrefour Property and Carmila in France, Italy and Spain, the Group has introduced a sustainable construction policy aligned with BREEAM Construction certification standards, to ensure that buildings are designed and built in line with a commitment to safeguarding the environment, occupant health and safety, and preserving biodiversity. Store architecture is planned from the outset to optimise energy consumption (through the use of natural materials and renewable energies) and ensure unobtrusive integration in the natural or urban environment. For each shopping mall construction and renovation project, measures are taken to encourage shoppers to use environment-friendly transport solutions: agreements with bus companies on additional stops, provision of car-share areas, electric vehicle charging stations, etc. Special provisions are made for local wildlife, with the provision of habitats for insects and birds. Ecological balance is also sought in the choice of plants. All companies working on construction sites for Carrefour stores have signed the Green Site Charter. Service stations managed by the Group are equipped with systems for preventing environmental risks and odours. In addition, a precise log of incoming and outgoing fuel volumes is kept to minimise the risk of fuel leakage.

A Biodiversity Charter was drawn up for all operational sites in the summer of 2020. It proposes solutions for developing biodiversity at shopping centres by focusing on four aspects:

- improving knowledge of local biodiversity and managing green spaces;
- developing on-site biodiversity;
- managing green spaces with an ecological mindset and limiting the impact of business operations on biodiversity;
- raising awareness, communicating and showcasing initiatives.

Joint initiatives and partnerships

- Too Good To Go pact: bringing together industry, retail, NGOs, trade organisations and digital operators in the fight against food waste

+ Find out more

- [Carrefour.com: Protecting biodiversity/CSR](#) (see the Biodiversity section)

2.1.2.6 Case studies in 2022

Definition of Carrefour's biodiversity strategy, drawing on the SBTN methodology

A privileged partner of WWF France since 1998, Carrefour joined the Natural Capital Lab when it was created in 2020. By taking part in this group of pioneering companies led by WWF France, Carrefour is supporting economic transition towards a model that respects the planet's finite resources, an approach known as strong sustainability.

In 2022, Carrefour deployed the SBTN (Science Based Targets for Nature) methodology and joined the Corporate Engagement Program of the Science Based Targets Network in order to measure its impact on biodiversity loss and put in place appropriate action plans. This is how Carrefour expresses its commitment to scientifically assess its impacts and dependencies on multiple environmental pressures.

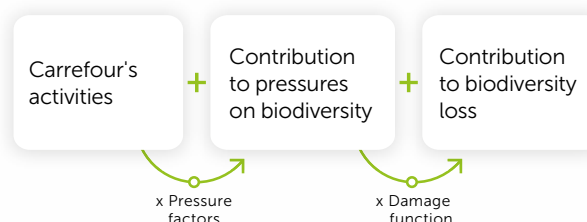
General methodology used by Carrefour

The overall approach draws on Science Based Target Network (SBTN) methodology, and its biodiversity footprint is calculated using the Corporate Biodiversity Footprint (CBF) measurement tool. SBTN defines 5 steps to set SBTs for Nature: (1) assess, (2) interpret and prioritise, (3) measure, set and disclose, (4) act, (5) track.

These five steps make up SBTN's methodological framework to help companies set scientifically robust targets and guide them towards an environmentally sustainable business model.

Calculating the biodiversity footprint involved three consecutive steps as set out in the figure below. This loss of biodiversity is expressed here in sq.km of MSA (Mean Species Abundance).

Representation of the biodiversity footprint calculation



This biodiversity footprint is based on data from Carrefour's activities, life cycle analysis databases (pressure factors) and scientific publications on empirical, experimental and modelling studies (damage functions). In terms of pressures, this biodiversity footprint takes into account factors such as the occupation and transformation of ecosystems, the contribution to environmental pollution (eutrophication and acidification indicators), the contribution to climate change and the contribution to the depletion of water resources.

The scope of this diagnosis includes all the Group's operations and its value chain (food and non-food retailing, fuel sales, logistics activities, real estate activities and other services).

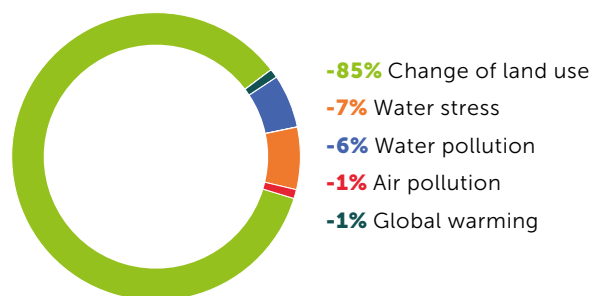
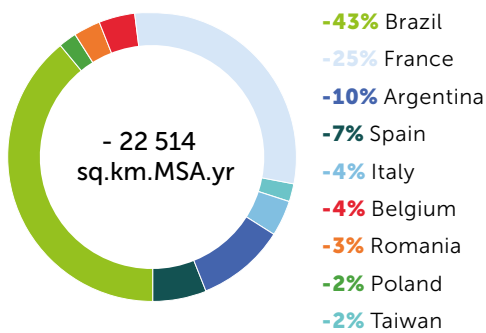
This assessment is supplemented with focus studies on specific

products that have a particularly significant impact on biodiversity. These focus studies include an in-depth impact analysis that breaks down the pressures on biodiversity and their location and compares them with indicators on the local condition of nature (general or specific to a given pressure).

Presentation of the initial results

The main results of the preliminary macro-analysis and the Group's biodiversity footprint are presented in Section 2.1.2.1 (see "Impacts and dependencies"). The main contributor to biodiversity loss from among Carrefour's activities is its occupation and transformation of ecosystems, which also contributes to the loss of water resources and local pollution. Operations in France and Brazil account for two-thirds of the Group's biodiversity footprint.

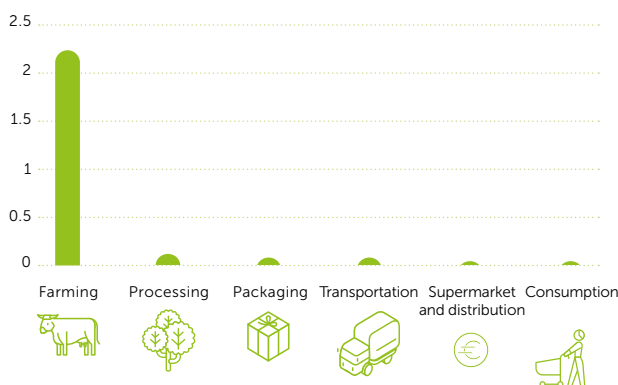
Representation of the Group's biodiversity footprint by country and type of pressure



Several focus studies have been conducted or planned to examine those products' impacts on particular locations and the affected biodiversity there. One of these focus studies was carried out, for example, for beef sold by Carrefour France. The main results show that this sector primarily impacts biodiversity through its land use, via agricultural production. These impacts are mainly located in the centre and west of the country, where most cattle farms operate.

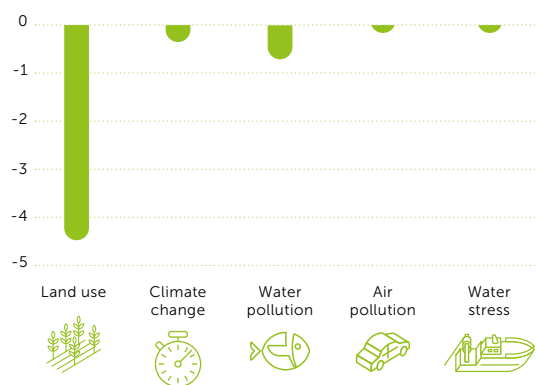
Breakdown of the impact of beef products by life cycle stage

Single EF score (mPt/kg)



Contribution of the different pressures to biodiversity loss

Beef sold by Carrefour France
Impact on biodiversity (sq.km.MSA/kg)



Next steps

In 2022, the SBTN roadmap enabled Carrefour to produce a quantitative estimate of its impacts on nature and to locate the key areas and issues in the Group's business sectors worldwide: real estate, retailing (food, non-food, fuel), logistics and service.

Science-based targets must be set to ensure that the Group's trajectory strictly complies with the renewal and assimilation thresholds of ecosystems and takes into account social expectations for nature conservation.

Ten or so raw materials have been identified and are or will be the subject of a focus study: beef, cotton, fishery products, oil (including palm oil), soy, cane sugar, cocoa, nuts, corn, rice and coffee. Carrefour aims to cover all commodities identified by SBTN with the greatest impact on biodiversity by the end of 2023. This assessment will be used to prioritise biodiversity issues and set specific targets. A dedicated action plan will also be drawn up in 2023 to ensure that these targets are met.

Carrefour signs 11 new French organic lines

For more than 30 years, Carrefour has been supporting French producers, helping them to develop their organic farming activities and ensuring their long-term existence. Through multi-party, multi-year, renewable contracts with its French agricultural partners, the Group can offer high-quality, French-produced organic products, while providing producers with long-term visibility. In 2022, the Group supported nearly 3,500 French organic producers through partnerships in a chain linking all production participants, from processing to product distribution. This initiative is designed to help meet consumers' consistently high expectations of French organic products with foods sourced from specialist organic producers in France. For other actors in the French organic lines, these long-term partnerships bring opportunities, including Carrefour's commitment to minimum purchase volumes, and the contracts with these partners guarantee for example fair pricing practices. These 11 new lines include: organic einkorn and organic white beans (Ekibio); organic strawberries (Bio Pays Landais); organic apricots, nectarines and peaches (Fauriel Fruits); organic potatoes (Ferme de la Motte); organic melons (Force Sud); organic vine tomatoes (Rougeline); organic courgettes (SARL Masse); and organic aubergines (Top Légumes). Carrefour's commitment here is twofold: on the one hand, it engages consumers by offering thousands of organic products at its stores and Drive outlets, 1,200 of which fall under the Carrefour Bio brand; on the other hand, it supports farmers, through organic contracts, as well as through project financing solutions that support the food transition, such as the crowdfunding platform *#JeParticipe* and the MiiMOSA Transition #1 fund, in which Carrefour invests in up to 10% of the funding for all financed projects.

Carrefour strengthens its commitment to fight deforestation: Brazil in focus

In partnership with CNA (Brazilian Confederation of Agriculture and Livestock) and IDH (Sustainable Trade Initiative), the Group announced in March 2022 the launch of a protocol for sustainable veal production. Developed in the field, within an incubator that drives innovation and collaborative creation, the protocol aims to transform the reality of Brazilian livestock

farming by supporting the inclusion of breeders who need technical and financial assistance. This initiative provides technological solutions to accelerate the adoption of more sustainable models in the livestock chain and ensure that end consumers are informed about the social and environmental performance of products made from beef cattle. The protocol was developed from the sustainable veal production programme, which has developed in Mato Grosso since 2019 with investments of 1.9 million euros from Carrefour Brazil group and the Carrefour Foundation and 1.6 million euros from IDH. The goal for 2022 was to provide technical, financial and environmental assistance to 557 producers and to cover more than 190,000 head of cattle, 210,000 hectares of pasture and nearly 188,000 hectares of protected land in the Amazon, Cerrado and Pantanal biomes in Mato Grosso. To step up its commitment, Carrefour Brazil announced a new plan to combat deforestation in Brazil in 2022. The plan includes strengthened governance with the creation of a Forest Committee, a reduction in the amount of beef from critical areas of 50% by 2026 and 100% by 2030, a 10-million euro investment, the mobilisation of a local and international collective, and the set-up of an open platform to disclose results.

100% local and sustainable Carrefour Quality Lines: Belgium in focus

Various Carrefour Quality Lines are showcased throughout the year in Belgium. Such is the case with Carrefour Quality Line breads in particular. Produced locally and exclusively in Belgium, Carrefour Quality Line traditional breads are made using methods that respect the environment. The delivery vehicles travel a short distance, limiting CO₂ emissions from the production of Carrefour Quality Line traditional bread. Carrefour offers more than 40 types of breads ranging from basic to premium – including classic, organic and CQL – at affordable prices starting at 1.59 euro. Tomatoes were also highlighted, and like all CQL brand references, these vine tomatoes are produced under partnerships that respect the farmer, the product and the environment. Near this tomato farm is the CQL omega bass fish farm. The rainwater harvested from the tomato greenhouses is used to fill the omega bass fish ponds. The heat produced by the tomato greenhouses is used to heat the pond water, and the fish are fed 100% plant-based food.

New solutions to promote recycling and reuse

To celebrate World Recycling Day on March 18, 2022, Carrefour France installed "eco checkouts" at all its hypermarkets and supermarkets so that customers could have the option of leaving their packaging at checkout. Other local measures were also taken. In April 2021, a system was launched in Poland to collect returnable bottles without a receipt. By October 2022, more than 3.2 million bottles had been returned to Carrefour stores, reducing waste production by 900 tonnes in just six months (a 227% increase compared with 2021). In Brazil, actions are implemented to encourage the collection of electronics. Post-consumer collection bins have been installed in stores in Brazil. In Spain, Cash Converters and Carrefour have signed an agreement to open Carrefour Occasion. Tested in Madrid, this pilot project enables the purchase and sale of second-hand goods and promotes the circular economy and sustainable consumption.

Deployment of the Bulk experience at Carrefour stores

For several years, Carrefour has been transforming the role of packaging in its business model. This programme aims to drastically reduce the packaging, especially plastic packaging, used in its product offering. Carrefour wants to provide all consumers with a zero waste experience, for example through products available in returnable packaging or its selection of bulk products. The bulk offering is being developed at all Carrefour store formats. More than 1,100 stores in France offer an

assortment of bulk dry goods featuring up to 250 product references. Between 2017 and 2022, Carrefour France tripled its sales in this segment. This prompted the Group to launch a pilot project in Montesson, outside Paris, in 2022, where 90 product references from leading brands are available in bulk format. The strategy is strengthened by the displayed price per kilo, which is lower for bulk goods compared to the shelf price for 90% of the products. Nine categories are represented: rice, oats, pulses, aperitif products, baking ingredients, confectionery, coffee, tea and pet food.

2.1.3 CLIMATE

2.1.3.1 Overview of objectives

Context In 2015, the COP21 Paris climate agreement set goals for limiting global warming, advocating reorientation of the world economy toward a low-carbon model and the phase-out of fossil fuels.

A 2019 assessment of the Group's greenhouse gas (GHG) emissions highlighted the following: 2% of the Group's emissions come from store operations (direct emissions and emissions related to energy consumption, i.e., Scopes 1 and 2) and 98% are indirect emissions (Scope 3). Scope 1 and 2 emissions are related to the stores' energy and refrigerant consumption. Seventy-two percent of the Group's Scope 3 emissions are from products and packaging sold in stores, 12% from the use of fuel sold, 5% from the upstream transport of products and packaging sold and, lastly, 5% from the use of non-food products sold.

At its Shareholders' Meeting of May 29, 2020, Carrefour announced a series of climate-protection goals, approved by the Science Based Targets initiative (SBTi), a partnership between the Carbon Disclosure Project (CDP), the UN Global Compact, the World Resources Institute (WRI) and the WWF®. Carrefour has been certified, along with more than 800 other companies, in light of its commitment to keeping the global temperature increase to below 2°C by 2100 compared to pre-industrial temperatures. Carrefour has thus revised its ambitions upward and, for the first time, has included emissions indirectly related to its activities, mainly from products sold.

In 2021 Carrefour again raised its targets for emissions directly related to its activities (Scopes 1 and 2) and announced its goal of making its stores carbon neutral by 2040, with a reduction aligned with a 1.5°C trajectory of -30% by 2025, -50% by 2030 and -70% by 2040 (compared to 2019). Carrefour has also announced that its e-commerce activities will be carbon neutral by 2030.

Risks and opportunities

Carrefour is committed to fighting climate change by reducing the Group's GHG emissions and minimising the climate risks to which its business is exposed. The risks analysed for Carrefour in relation to climate change can be broken down into the following four categories:

- in-store physical risk: in the countries where it operates, the Group may be exposed to natural disasters and uncertain weather conditions, which have direct or indirect impacts on its activities, assets, customers and employees (for example, changes in temperature);
- regulatory risk: the Group is subject to significant regulatory pressure, particularly with regard to the application of the F-Gas regulation concerning refrigeration systems used in stores;
- market risk: the Group is subject to a risk related to new consumer behaviour which is linked in varying degrees to climate change and which deeply impacts the spending patterns of Carrefour's customers: automobile use, local produce consumption, energy-efficient products, reduced animal protein consumption;
- securing raw material supplies: the Group has identified sensitive materials that contribute to climate change or that are highly sensitive to climate change. Carrefour may thus be exposed to a risk of supply shortages for raw materials, or increases in raw materials prices. This may undermine Group suppliers, but also jeopardise the partnership relationship established with them.

Carrefour's climate change-related risks are factored into the Group's risk management procedures (see Chapter 4.1). The risks analysed concern both Carrefour's contribution to climate change and the more or less direct impacts of climate change on Carrefour's business.

In addition, Carrefour updated its materiality analysis in 2021 (see Section 1.3.1.4). Three climate-related issues have been identified as major by the stakeholders within the framework of the Group's food transition strategy, and they are among the ten priority issues:

- combating food waste (ranked third);
- defining a product range favouring goods from the country and regions in which we operate (ranked fourth);
- reducing transport- and e-commerce-related CO₂ emissions (ranked seventh).

Lastly, customer expectations are particularly high for the following three issues: "Eco-design of products, packaging and circular economy", "Combating food waste" and "Offering a customer experience and a store/online experience that facilitates 'zero waste' purchases, zero plastic for organic products and healthier products".

Our initiatives

Carrefour has several avenues to reduce its direct and indirect emissions, and they can be implemented in its logistics chains, stores and warehouses, supply chains and relations with its stakeholders in order to transform the market:

- at the plant and transport level, Carrefour strives tirelessly to improve its operational management, in order to optimise its activities and reduce GHG emissions associated with its direct and indirect operations;
- at the supply chain level and to transform the product offer available in stores, Carrefour defines responsible sourcing criteria for its own branded products, and selects the

national brand offer to reflect the food transition throughout the store;

- in order to engage market players and reduce its indirect emissions, Carrefour works collectively through local and global initiatives to share its objectives with other companies in the sector. Carrefour also collaborates with its suppliers and service providers, in particular within the framework of the Food Transition Pact;
- lastly, Carrefour promotes low-carbon consumption among its customers through concrete initiatives in stores.

Coalitions and partnerships

Business Ambition
to 1.5 – Our Only Future

Race to zero

European Climate
Pact

RE100 –
Validation in progress

Contributions to the Sustainable Development Goals



Direct emissions reduction trajectory (Scopes 1 and 2) aligned with a 1.5°C SBTi scenario

2025	Reduce emissions by 30% by 2025 (vs. 2019)	
2030	Reduce emissions by 50% by 2030 (vs. 2019)	
	RENEWABLE ELECTRICITY	100% of electricity consumed from renewable sources by 2030
	ENERGY EFFICIENCY	Reduce energy consumed by 27.5% by 2030 (vs. 2019)
	REFRIGERANTS	Reduce refrigerant-related emissions by 50% by 2030 (vs. 2019)
2040	Carbon neutrality of our direct operations by 2040, with a 70% reduction in emissions by 2040 (vs. 2019)	
	REFRIGERANTS	Reduce refrigerant-related emissions by 80% by 2040 (vs. 2019)

Indirect emissions reduction trajectory (Scope 3) aligned with a "below 2°C" SBTi scenario

2030	Reduce indirect CO ₂ emissions by 29% by 2030 (vs. 2019)	
	PURCHASE OF GOODS AND SERVICES	Reduce emissions from purchased goods and services by 30% (vs. 2019), i.e., the equivalent of 20 megatonnes of CO ₂ , in collaboration with our suppliers
	PRODUCT USE	Reduce emissions related to the use of our products by 27.5%
	DOWNSTREAM TRANSPORT	Reduce our transport-related CO ₂ emissions by 20% (vs. 2019)

Detailed list of roadmap targets:

2024	Catalogues	80% of catalogues in France will be digital by 2024
2025	Food waste	Reduce food waste by 50% (vs. 2016)
	Waste	Recover 100% of waste from stores by 2025
2026	Energy efficiency	Reduce energy consumed by 20% by 2026 (vs. 2019), with a 20% reduction in France by 2024
	Plant proteins	Increase sales of plant-based products in Europe to €500 million by 2026 (+65% vs. 2022)
	Packaging	100% of our key packaging policy targets to be implemented by 2026 (see Section 2.1.2.4)
	Deforestation	100% of key targets on sensitive raw materials to be implemented by 2025 (see Section 2.1.2.3)
	Supplier commitment	100% of the 100 biggest suppliers to be committed to a 1.5°C trajectory by 2026 300 suppliers involved in the Food Transition Pact by 2025
2027	Renewable electricity	4.5 million sq.m. of solar panels in operation on parking lots in France, Spain and Brazil by 2027 (representing nearly one TWh of theoretical producible electricity per year)
2030	E-commerce	Carbon neutrality for the Group's e-commerce activities by 2030

2.1.3.2 Helping stores become carbon neutral (Scopes 1 and 2)

Context and targets

Carbon neutrality and the use of renewable energies are strongly-held expectations among citizens and consumers. Aware of its leading role in distribution, the Carrefour group has set itself the goal of achieving carbon-neutral stores by 2040 (Scopes 1 and 2). Its action plan to achieve carbon neutrality aims to reduce CO₂ emissions from its activities as much as possible at source.

The Group aims to **reduce emissions from its stores (Scopes 1 and 2) by 30% by 2025, by 50% by 2030 (compared to 2019) and by 70% by 2040 (compared to 2019)**, a target aligned with the SBTi 1.5°C scenario.

To achieve this, Carrefour is taking the following initiatives:

- **use of 100% renewable electricity by 2030**, with priority given to on-site production for self-consumption or grid feeding, followed by the adoption of Power Purchase Agreements. As part of the "Carrefour 2026" plan, the Group will begin producing photovoltaic energy by installing and operating 4.5 million sq.m. of solar panels on car park

canopies in France, Spain and Brazil, representing around one TWh of theoretical power generation per year by 2027;

- **a 27.5% reduction in energy consumption by 2030 compared to 2019**. Carrefour is doubling its investments to reduce its energy consumption, to 200 million euros per year from 2023 to 2026. The aim is to cut the Group's consumption by 20% by 2026, including a 20% reduction in France by 2024. The Group is seeking to improve energy efficiency through five priority action and technology recommendations for its stores: renovation of commercial cooling systems to consume less energy, doors for refrigeration units operating at 0°C to 8°C, electronic speed controllers (which help in particular to reduce peak power consumption), sub-metering systems and low-consumption LED lighting;
- **the reduction in emissions from refrigerant use**. Carrefour is committed to phasing out HFC refrigeration units and phasing in systems using natural refrigerants (CO₂), which have much lower emission levels, by 2030 in Europe and 2040 in other geographies. Each country has drawn up a roadmap for the renewal of its store base.

Performance

Key Performance Indicators	2022	2021	Change	Target
Scopes 1 and 2				
Scope 1 and 2 GHG emissions (in tCO ₂ eq.)	1,212,995	1,276,499.1	-5%	
% reduction in Scopes 1 and 2 GHG emissions (vs. 2019)	-29.1%	-25.4%	-3.6 pts	(30)% by 2025, (50)% by 2030, and (70)% by 2040, (vs. 2019)
Energy ⁽¹⁾				
CO ₂ emissions related to energy consumption (in tCO ₂ eq.)	748,087	828,973	-10%	
Energy consumption per sq.m. of sales area (kWh/sq.m.)	457	457	-	
% reduction in energy consumption per sq.m. of sales area vs. 2019	-9%	-9.2%	-0.2 pts	
In-store renewable electricity consumption (kWh/sq.m. of sales area)	1.9	1.5	+22%	
Refrigerants ⁽²⁾				
Refrigerant-related CO ₂ emissions	464,908	447,527	+4%	
% reduction in refrigerant-related GHG emissions compared with 2019	-31%	-34%	-3 pts	
Other indicator				
CDP Climate rating	A	A-	-	

(1) Scope: non-comparable BUs (BR C SM excl.) (99.5% of 2022 consolidated gross sales).

(2) Scope: Comparable BUs (77% of 2022 consolidated gross sales). – excl. BRAT.

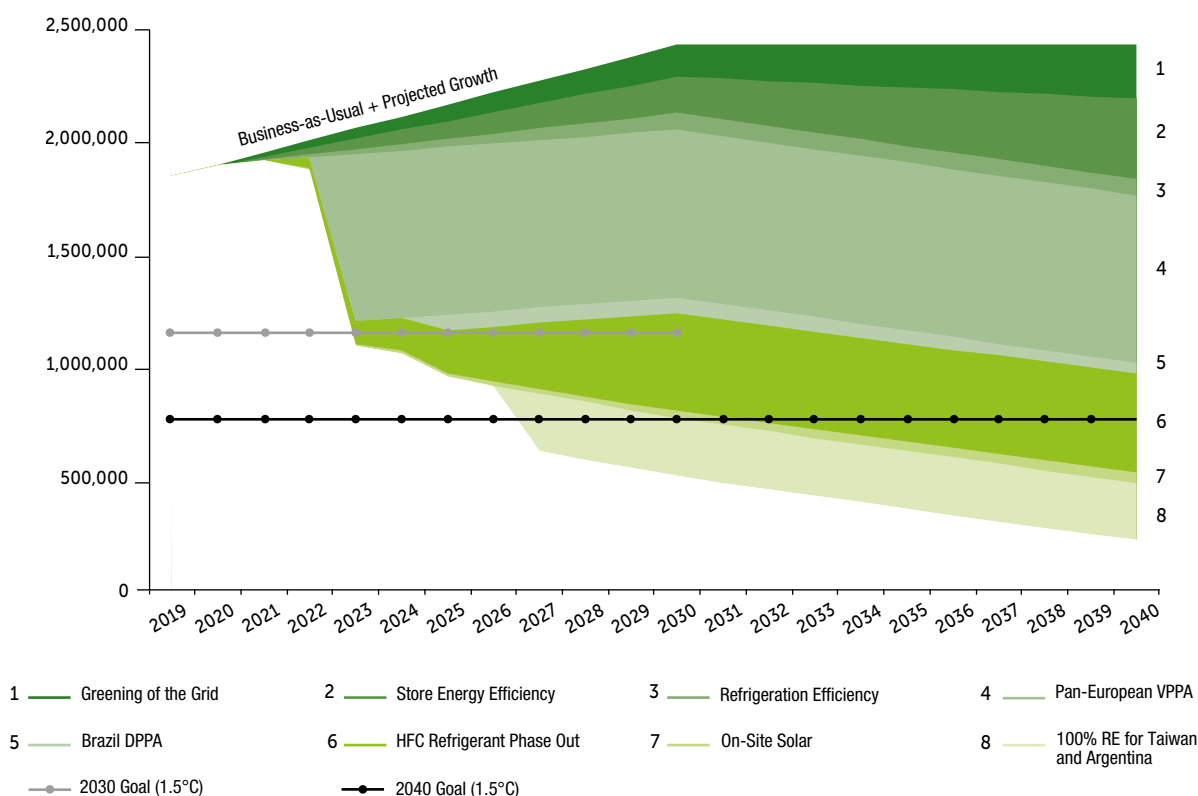
Indicators subject to an audit providing reasonable assurance.

Comments on 2022 performance. Carrefour reduced its Scopes 1 and 2 store emissions by 29% in 2022 versus 2021, and is well on its way to meeting targeted reductions of 50% in 2030 and 70% in 2040.

Action plans

In 2021, the Group defined the target scenario for achieving its goal of reducing greenhouse gas emissions from its integrated stores, in relation to their consumption of energy and refrigerants

(Scopes 1 and 2). This scenario is based on a projection of the Group's emissions to 2040, using current emissions and the Group's estimated growth to 2040 (Business-as-Usual + Projected Growth). This scenario breaks down the different actions to be implemented to achieve carbon neutrality and the reduction of GHG emissions associated with each action.



Climate plan governance

Carrefour has structured governance for its Climate Plan as follows:

The Group Executive Committee defines strategy, policies and objectives, and measures Group performance. Carrefour's Board of Directors, after a review by the Board's CSR Committee and on the advice of the latter, validates the strategy proposal and assesses its implementation. The Shareholders' Meeting is consulted on the climate change strategy and the implementation of action plans via a "Say on Climate".

The Engagement department coordinates the implementation of the climate strategy at Group level in collaboration with the various departments concerned, namely Asset departments, Indirect Purchasing department and Financial departments.

The Group Investment Committee approves investment projects. To ensure that its climate goals are achieved, the Group has built a CapEx trajectory for the implementation of GHG emission reduction initiatives through to 2030. The committee analyses the climate impact of projects by factoring specific criteria into investment planning.

The Executive Committee in each country is responsible for implementing the climate strategy, which is an integral part of each country's strategic plans and budgets.

CSR performance is monitored quarterly through non-financial reporting and the CSR and Food Transition index. This index, created in 2018, is the management tool that enables the Group to ensure that targets are met. It is a key part of non-financial communication and a compensation criterion for the Chairman and Chief Executive Officer, executives, Country Executive Committee members and top-level Group function managers. The reduction of greenhouse gas emissions from stores is also an indicator used when issuing Sustainability-Linked Bonds.

The use of renewable energy

The Group's priority is to develop on-site electricity production for self-consumption or supplying the network. In France, the Carsol project launched in 2020 is currently equipping seven hypermarkets with photovoltaic systems, covering 10% of the energy consumption (21 GWh) of these stores. In 2022, 18 hypermarkets worldwide were equipped with photovoltaic systems. As part of the "Carrefour 2026" plan, the Group is accelerating the production of photovoltaic energy by installing and operating 4.5 million sq.m. of solar panels on car park canopies in France, Spain and Brazil, representing around 1TWh of theoretical power generation per year by 2027. In Brazil, Atacadão has also embarked on a solar panel development plan, with one store equipped in 2022 and several more set to follow in 2023.

In order to achieve its goal of 100% renewable electricity by 2030, Carrefour will also use PPAs (Power Purchase Agreements).

Reducing energy consumption

In 2013, Carrefour launched a worldwide strategic plan encouraging all Group entities to improve their energy efficiency. Teams in Group host countries were issued a list of five priority actions and technology recommendations for their stores: doors for refrigeration units operating at 0°C to 8°C; electronic speed controllers; low-consumption LED lighting; submetering systems; and phase-out of high warming potential HFC refrigerants for cooling systems. In Europe, Carrefour Belgium, Carrefour France and Carrefour Italy hold ISO 50001 (Energy Management) certification for their integrated stores (hypermarkets and supermarkets) as well as for their head offices and warehouses. This represents 35% of the sales area of the Group's integrated hypermarkets and supermarkets.

In France, to help ensure that everyone is supplied with electricity, Carrefour has joined the signatories of the EcoWatt Charter, which guides individuals, companies and local authorities in adopting actions to limit electricity consumption during periods of peak demand. A warning system indicates the days and times when French people should reduce or defer their electricity consumption, to avoid power cuts or shorten any that do occur. Carrefour is the first major retailer to join such a scheme. The Company is committed to reducing its energy consumption in the event of spikes. For example, it could dim lighting and reduce heating in its stores, thereby eliminating the consumption of between 2.1 MW and 10 MW of electrical power, or contribute its production capacity of over 60 MW of electrical power. Customers will be informed whenever the system is triggered.

The reduction in emissions from refrigerant use

Carrefour is committed to phasing out HFC refrigeration units and phasing in systems using natural refrigerants (CO₂), which have much lower emission levels, by 2030 in Europe and 2040 in other geographies.

The roll-out of the F-gas regulation in Europe aims to gradually phase out hydrofluorocarbon (HFC) refrigerant gases, in order to replace them with lower-emitting alternatives. Each of the Group's operating countries has drawn up a roadmap for tackling this issue.

When a CO₂ plant is replaced, an additional energy gain is expected. The new, more modern plants result in an estimated 8% reduction in electricity consumption for food refrigeration. Efforts are also made to limit refrigerant leaks by stepping up equipment maintenance and keeping it as leak-free as possible in all countries of operation.

Joint initiatives and partnerships

- Race to Zero
- Business Ambition for 1.5°C
- Signatory to the French Business Climate Pledge
- Consumer Goods Forum (CGF) network
- Science Based Target initiative (SBTi)
- Carbon Disclosure Project (CDP)
- Food Transition Pact

+ Find out more

- [Carrefour.com: Fighting and preparing for climate change/CSR](#) (see the Climate section)
- CDP Climate: see the public response on the CDP website

2.1.3.3 Promoting low-carbon consumption (Scope 3)

Context and targets

Carrefour has set the goal of achieving a 29% reduction in its indirect GHG emissions (Scope 3) by 2030, compared with 2019. The Group's ambition has been approved by the Science Based Targets initiative for its alignment on a trajectory below 2°C. In view of its main indirect emissions drivers, Carrefour has structured its Scope 3 Climate Action Plan around the following indirect emission items that together account for nearly 90% of Scope 3 emissions:

- **purchases of goods and services:** reducing emissions from goods and services purchased by 30% by 2030, compared with 2019 (well below the 2°C scenario). This target implies cutting 20 megatonnes of CO₂ between 2030 and 2019;
- **product use:** reducing emissions from product use (especially for fuel and consumer electronics) by 27.5% by 2030, compared with 2019 (2°C scenario);
- **outbound transport:** reducing CO₂ emissions linked to outbound transport by 20% by 2030, compared with 2019 (2°C scenario).

To achieve these objectives, Carrefour has several means of promoting low-carbon consumption, such as selecting the products and packaging on the shelves, supplier commitment to reduce emissions, defining responsible purchasing criteria, promoting the circular economy and guiding customers in their consumption choices. Carrefour has set the following objectives:

- **supplier commitment:** getting 600 suppliers to commit to the Food Transition Pact by 2030; Carrefour's 100 biggest suppliers will be required to adopt a 1.5°C trajectory by 2026 or risk being delisted;
- **local and national products:** partnering with 50,000 producers by 2026; doubling fruit and vegetable supplies in ultra-short circuits (suppliers located less than 50 km from stores) in Europe; launching a local fresh produce format under the "Potager City" banner in France;
- **plant proteins:** increasing plant-based protein sales in Europe to 500 million euros by 2026 (an increase of 65% vs. 2022);

■ **responsible production:** 100% of products from Carrefour Quality Lines committed to an agro-ecological approach by 2025; 100% of sensitive raw materials covered by an action plan to combat deforestation by 2025 (palm oil, Brazilian beef, wood and paper, soy, cocoa);

■ **packaging reduction and the circular economy:** saving 20,000 tonnes of packaging, including 15,000 tonnes of plastic packaging by 2025 (cumulative since 2017); 100% reusable, recyclable or compostable packaging for our own brands by 2025; 30% integration of recycled plastic in

packaging by 2025; 150 million euros in bulk sales Group-wide by 2026;

■ **waste and food waste management:** reducing food waste by 50% by 2025 (compared to 2016); 100% recovery of store waste by 2025;

■ **fight against deforestation:** reducing the amount of beef from critical areas by 50% by 2026 and 100% by 2030; Carrefour-branded beef not to pose any threat in terms of deforestation by 2026.

Performance

Indicators	2022	2021	Change	Target
Number of Food Transition Pact partner suppliers	204	114	+79%	300 by 2025
Proportion of SBTi 1.5°C suppliers (France)	34%	New		
Number of suppliers involved in the 20 Megatonnes platform	51	New		
Number of partner producers ⁽¹⁾	37,758	38,359	-2%	50,000 by 2026
Percentage of Carrefour Quality Lines products committed to an agro-ecological approach (fresh produce)	6.5%	New		100% by 2025
Sensitive raw materials – progress made in rolling out action plans on sensitive raw materials (as a %) ⁽²⁾	61%	55%	+6 pts	100% by 2025
Reduction in packaging since 2017 (in tonnes)	16,390	10,906	+50%	20,000 tonnes by 2025
Percentage of reusable, recyclable or compostable packaging for Carrefour-branded products ⁽³⁾	57%	46%	+11 pts	100% by 2025
Percentage of integrated recycled plastic in packaging for Carrefour-branded products ⁽⁴⁾	7.7%	New		30% by 2025
Percentage of food waste avoided (in kg/sq.m.) compared to 2016 ⁽⁵⁾	-40%	-28%	+12 pts	-50% by 2025
Percentage of store waste recovery ⁽⁶⁾	74.5%	68.5%	+6 pts	100% by 2025

(1) National partner producers in organic farming, Carrefour Quality Lines, regional and local producers listed directly by stores.

(2) This composite indicator covers raw materials that the Group considers a priority in the fight against deforestation (palm oil, beef, soy, cocoa and trader traceability), protection of fishery resources and sensitive raw materials for textiles (cotton, cashmere, wool and wood-based fibres).

(3) Scope: 71% of 2022 consolidated gross sales. Non-comparable BUs (FR only in 2021; ES, IT, PL and AR excl. in 2022).

(4) Scope: 63% of 2022 consolidated gross sales. Non-comparable BUs (FR only in 2021; BE, ES, IT, PL, and AR excl. in 2022).

(5) Scope: excluding ES (SM, CO, C&C), IT (CO, C&C), BE (HM, SM), BRAT (HM, C&C) and PL (C&C). Non-comparable BUs (70.9% of 2022 consolidated gross sales).

(6) Scope: Non-comparable BUs (IT CO and CC excl. and BE excl.) (95.2% of 2022 consolidated gross sales vs. 94% in 2021).

In presenting its 2026 strategic plan, Carrefour announced an unprecedented new target for getting suppliers involved in reducing its indirect Scope 3 emissions, calling on its top 100

suppliers to commit to a 1.5°C pathway by 2026 or face delisting.

Reduce Scope 3 emissions

Carrefour has put together a Scope 3 Climate Action Plan on reducing the main indirect emissions arising primarily from the products it sells. This action plan consists of:

1. Optimising the operation of plants and supply chains and promoting the circular economy

Limiting food waste and recovering waste. According to a study by ADEME ⁽¹⁾, in France, 10 million tonnes of food are lost and wasted every year throughout the value chain. Carrefour is

implementing action plans (detailed in Section 2.1.2.2) to reduce food waste by 50% by 2025 (compared to 2016). Carrefour also aims to have 100% of waste recycled by 2025 and to use reusable, recyclable or compostable packaging for 100% of own-brand products by 2025 (Section 2.1.2.4).

Recovery, reuse and recycling of electrical products and household appliances. The production of electrical and electronic equipment generates significant CO₂ emissions. For example, a laptop is responsible for 169 kg of CO₂ equivalent during its entire life cycle, which is equivalent to a 600 km flight. In France, the Carrefour group, in partnership with environmental organisations,

recovers neon lights and batteries in each integrated store. The Group's hypermarkets collect small and large household appliances and, since 2022, large furniture with no obligation to purchase. In order to encourage consumers to bring back their equipment, Carrefour launched initiatives to recover televisions and sound bars in October in exchange for vouchers.

Throughout France and in partnership with Cash Converters, Carrefour is opening "second-hand" corners in its hypermarkets. To date, 27 such corners have been opened in hypermarkets with an average surface area of 100 sq.m., i.e., 11 more than in 2021. These corners give a second life to telephone equipment, small electrical appliances, computer equipment, but also books, DVDs, games, jewellery and leather goods.

Develop packaging deposits and recyclability. The Group wishes to reduce the use of packaging through the development of bulk sales, but also packaging deposits. For example, it has introduced the use of returnable packaging in stores through a system called *Loop*, with 23 stores now equipped with the system. When it is impossible to eliminate packaging or reuse it, Carrefour seeks to guarantee the effective recyclability or biodegradability of the packaging, in line with the national recycling channels (see Section 2.1.2.5).

Downstream transport. Carrefour aims to achieve a 20% reduction in outbound transport-related CO₂ emissions by 2030 compared to 2019, through optimisation of logistics models and development of alternatives to diesel fuel. Supply chain teams in each country are working closely with carriers to improve truck loading practices, optimise travel distances and phase in alternative transport modes consistent with Group policy. In France, Carrefour is modernising its fleet. At end-2022, it had 710 PIEK-certified trucks, which run on biomethane and generate less pollution and noise (under 60 dB).

2. Transforming the range of products available in stores and e-commerce

Definition of purchasing rules for controlled products: Carrefour is implementing a set of action plans to develop responsible sourcing and thus reduce the climate impact of its own-brand products. The Group is particularly committed to combating deforestation, developing agro-ecological practices within its Carrefour Quality Lines and sourcing fish from responsible fishing (see Sections 2.1.2.2 and 2.1.2.3). Carrefour aims for each of its Carrefour Quality Lines to feature an Agroecological label by 2025. The products concerned provide a benefit that is communicated to customers: "GMO-free feed", "antibiotics free", or "grown without chemical treatment", etc. Some of these practices reduce the CO₂ emissions from agricultural production, such as reducing the use of pesticides and nitrogen fertilisers, and soil conservation in agriculture (see Section 2.1.2.2). In addition, the Group is working on responsible sourcing of its packaging and is aiming for 100% paper and cardboard packaging of controlled products to comply with the sustainable forests policy by 2025 and to include 30% recycled plastic in its plastic packaging by 2025. Moreover, 99.5% of trade publications are FSC® (Forest Stewardship Council®), PEFC® (Programme for the Endorsement of Forest Certifications®) certified, or made from recycled fibres.

The greening of food. ADEME has calculated that meat production is responsible for half of the food sector's greenhouse gas emissions. This is why the greening of food is high on Carrefour's list of priorities. There is indeed a strong societal expectation at the heart of major climate issues, the preservation of biodiversity, the sharing of resources at the global level and major public health issues. This expectation is already reflected in strong growth in demand, which is impacting the markets. Carrefour is committed to developing vegetarian product ranges with a view to offering an alternative to the consumption of animal proteins. These products are aimed at a wide variety of consumers whether they are vegans, vegetarians, those concerned about animal welfare or flexitarians. Carrefour is attentive to the quality and nutritional profile of these products. The first French retailer to launch a vegetarian range under its own brand, Carrefour now has 115 products, i.e., the widest vegetarian offer in supermarkets and hypermarkets. Since 2021, Carrefour has continued its acceleration in the meat substitute segment, launching more than ten innovations to meet consumer demand for "Eating better" and "Consuming better". For every type of meat or dairy product, there is a plant-based alternative. These alternative products are available in all European countries where the Group operates, and in all formats.

As part of its commitment to the food transition for all, Carrefour stepped up the development of plant-based food in 2022. In March, the Group launched a new international "Plant-Based Contest" for the most innovative start-ups in the field of plant-based food. It attracted start-ups from all over the world which showcased their innovations in plant-based food. When the challenge comes to an end, ten innovations will be displayed prominently on the shelves of Carrefour supermarkets and hypermarkets, as well as on e-commerce platforms, after being tested by consumers. To further the development of plant-based food, Carrefour has partnered with Danone and the WWF to co-develop the "*Lundi c'est veggie, mais aussi le mardi, mercredi...*" (Monday is veggie, but so is Tuesday, Wednesday...) promotion. The idea is to promote the consumption of plant-based proteins and increase the number of vegan options on people's plates. It is being carried out as part of the Food Transition Pact, a Carrefour initiative bringing together 38 international suppliers to implement practical projects devoted in large part to the climate. Plant-based food initiatives are also being carried out locally. In Belgium, for example, the range includes 179 vegetarian product references, and customers enjoy a 20% discount on the entire vegetarian range in refrigerated sections on Thursdays.

Choosing local and seasonal vegetables. Choosing seasonal vegetables is an obvious way for consumers to reduce their carbon footprint. ADEME estimates that a tomato produced out of season is responsible for 10 times more CO₂ than a tomato produced in season (i.e., not in a heated greenhouse). In line with this, Carrefour offers its consumers a range of seasonal and local products. In Spain, Carrefour promotes seasonal products while contributing to the creation of regional jobs and the reduction of greenhouse gases. Carrefour has business relationships worth 1.5 billion euros with over 1,000 Andalusian suppliers. To develop this product range, the Group is committed to signing contracts with 50,000 local or national partner producers by 2026.

Non-food products and fuel. In addition to its strategy for food products, Carrefour has a similar objective to reduce Scope 3 emissions on non-food products, particularly products that entail high electricity use or fuel consumption. To act on GHG emissions from combustion of traditional fuels, the Group is developing its range of alternative fuels and is seeking to increase their share in the mix and encourage consumers to choose vehicles with green engines. For example, thanks to a partnership with Meridiam, Carrefour Property, the Group's real estate company, enabled the installation of charging stations in the car parks of 211 hypermarkets for a total investment of 117 million euros in 2021. The Group plans to install 2,000 charging stations by 2023. In order to encourage its customers to use electric vehicles, Carrefour offers 1 hour of recharging per week to loyalty card or pass card holders. These charging stations will be powered by 100% renewable electricity. In addition, free recharging facilities for soft mobility (scooters, bicycles) will be available in all hypermarkets and most supermarkets. Of the 215 shopping centre sites operated by Carmila, more than 200 are located less than 500 m from public transport.

Reducing the impact of packaging. According to ADEME, 1 kg of plastic packaging results in the emission of 1 kg of CO₂. This is why the reduction and elimination of packaging is one of the Group's strategic priorities. Carrefour has undertaken to reduce the weight of packaging of its own-brand products by 20,000 tonnes, including 15,000 tonnes of plastic packaging (cumulatively since 2017) and to have 100% of its own-brand product packaging reusable, recyclable or compostable by 2025 (see Section 2.1.2.4).

3. Involving our partners

Food Transition Pact. Products sold by Carrefour and supplied by major national brands get specific attention. Carrefour favours a partnership approach for these products, with the development of the Food Transition Pact.

The Pact provides a platform for these suppliers to discuss matters and best practices, explore new opportunities for collaboration with Carrefour, and share progress with consumers. It rests on four pillars: packaging, biodiversity, climate, and health/nutrition. Food and non-food supplier candidates ready to join the Food Transition Pact must present an ambitious action programme on at least three of the Pact's four pillars. This programme is approved by a panel of internal experts, and suppliers are required to report on their progress regularly. Working groups are organised throughout the year.

At the end of 2022, nearly 200 suppliers had committed to the international pact and to local pacts. The Group's objective is to have 600 committed suppliers by 2030.

On the climate pillar, the "20 Megatonnes" project launched in 2020 aims to encourage suppliers to make commitments to reduce their emissions, measure their progress, involve

consumers and develop low-carbon consumer habits. In 2021, Carrefour launched a collaborative platform open to all its suppliers on a dedicated website. This platform enables the Carrefour group to monitor the commitments and progress of its suppliers in the fight against global warming and to highlight their most innovative actions. This platform was developed within the framework of the Climate Working Group of the Food Transition Pact, co-piloted by Pepsico and including Johnson & Johnson, Essity, Beiersdorf, Mars, Danone, Soufflet, Coca-Cola, Kimberly Clark, Heineken, Reckitt, Innocent, L'Oréal, Kellogg's, Andros and Savencia. Each supplier will be able to communicate its greenhouse gas emissions, its reduction objectives and the achievement of its objectives year after year. The method used is aligned with industry benchmarks (Greenhouse Gas Protocol and Carbon Disclosure Project).

In 2022, Carrefour called on its major suppliers (Top100) to adopt a 1.5°C trajectory by 2026, and is committed to delisting them if they do not meet this condition.

4. Engaging with customers in their product choices

Carrefour aims to highlight the low-carbon characteristics of its products. In France, the eco-score is provided on more than 40,000 products of all brands. Some products with an eco-score of A are highlighted by promotional prices. To showcase low-carbon vegetarian products in stores and online, Carrefour has modified the display hierarchy (highlighting products with an eco-score of A) on e-commerce sites and promoted such items more prominently in stores.

In addition, Carrefour has pushed ahead with anti-food waste actions, which promote products having minor defects or close to their use-by date, while remaining as good and safe as the rest. In 2020, the Group introduced a *Zéro Gaspis* (zero waste) challenge, a cross-functional tagging system designed to draw customers' attention to all of the initiatives deployed to cut down on waste. Also in 2020, Carrefour signed, with 50 French players, the National Pact to make use-by and best-before dates easier to read.

A study is under way to determine to what extent the Group can accelerate decarbonisation of the average consumer basket. The aim is to make low-carbon products accessible by enhancing product range and marketing.

Joint initiatives and partnerships

- Food Transition Pact, Climate Working Group co-piloted with Pepsico
- Science Based Targets

2.1.3.4 Combatting food waste

Context and definition

According to a report published by NGO WWF and Tesco, the UK's largest supermarket chain throws away 2.5 billion tonnes of food each year worldwide. This is double the estimate contained in the latest UN report on food waste (2011)⁽¹⁾. Food waste accounted for 10% of greenhouse gas emissions worldwide in 2021⁽²⁾. Of the 2.5 billion tonnes, 1.2 billion tonnes of food was wasted on farms, particularly in Europe and the US. And 931 million tonnes were thrown away by retailers or consumers. The rest was lost during transportation, storage, manufacturing and product processing. This waste has many causes: overproduction, calibration criteria, interruption in the cold chain, poor stock management and supply-demand mismatching, among others. At each step in the farming and food chain, there are measures to be taken on cutting down waste.

Carrefour has assessed food waste throughout the value chain, from the farm to the consumer's table, for five of its best-selling fresh products: avocados, cod, carrots, bread and chicken. This assessment highlighted several solutions throughout the value chain: crop growing and harvesting, sorting, packaging and transport, quality control, distribution and consumption. Cutting down on food waste is a major

challenge for Carrefour, both for shrinking the environmental footprint of its activities and for improving operational efficiency. Methods such as discount management⁽³⁾ for products nearing their sell-by date and recovery of unsold produce create opportunities to cut waste.

This global issue took on a whole new dimension in 2020 as the health crisis aggravated the difficulties of vulnerable people and low-income households. It became more important to cut down on the amount of perfectly safe and nutritious food being wasted, so that it could be given to those most in need. In 2022, community outreach initiatives continued to be carried out.

Policy and performance

Carrefour shares the Consumer Goods Forum (CGF)⁽⁴⁾ goal of achieving a 50% reduction in food waste by 2025 (compared to 2016). Carrefour's global policy of cutting food waste has three focus areas: in-store measures, cooperation with suppliers, and improving consumer awareness. Carrefour's ambition is to ensure operational excellence in its own waste reduction and to catalyse action among stakeholders (suppliers and consumers) throughout its business ecosystem.

Key Performance Indicators	2022	2021	Change	2025 target
Percentage reduction in food waste (vs 2016) ⁽¹⁾	-40%	-28%	+12 pts	50%
Percentage of unsold food products recovered	58%	53%	+5 pts	-

(1) Scope: excluding ES (SM, CO, C&C), IT (CO, C&C), BE (HM, SM), BRAT (HM, C&C) and PL (C&C). Non-comparable BUs (70.9% of 2022 consolidated gross sales).

Indicators	2022	2021	Change
Number of meal equivalents of unsold products donated to food aid associations (in thousands of meals) ⁽¹⁾	45.6	44.1	+3.4%
Weight of unsold products recovered through sale of food baskets in partnership with Too Good To Go ⁽²⁾	3,437 tonnes	3,440 tonnes	-0.1%

(1) Scope: This figure includes food donations by stores in all of the Group's integrated countries, as well as donations made by the Group's warehouses in France.

(2) Scope: BE, ESP, FR, IT, PO.

Comments on 2022 performance. Food waste was down 40% versus 2016 in 2022 (compared with a 28% decline in 2021), against a targeted 50% reduction by 2025. Food waste reduction is making steady progress in Europe and at Carrefour Brazil. As part of a continuous improvement

process, a project will be undertaken in 2023 to extend the scope of reporting to all the integrated countries. Lastly, the amount of donations increased slightly from 44.1 million to 45.6 million meal equivalents donated worldwide in 2022.

(1) FAO 2012, Food loss and waste in the world – Extent, causes and prevention. Rome. <https://www.fao.org/3/i2697f/i2697f.pdf>

(2) Cirad.fr, 10% of global greenhouse gases linked to food loss and waste, <https://www.cirad.fr/les-actualites-du-cirad/actualites/2021/10-des-gaz-a-effet-de-serre-mondiaux-lies-aux-pertes-et-gaspillages-alimentaires>

(3) Discounts correspond to foodstuffs lost by the Group, mainly due to product expiration dates.

(4) The CGF is an international network bringing together equal numbers of manufacturers and retailers of fast moving consumer goods. Its members include CEOs and senior executives of consumer goods manufacturers and retailers, along with other key stakeholders, who are all committed to promoting practices and standards around the world that drive positive change by meeting consumer expectations.

Action plans

Carrefour's action plan to combat food waste is implemented at every stage of the product life cycle. From the selection and ordering of a product by a store to its end of life, the Group implements solutions to recover foodstuffs.

1. Reduce the number of markdowns in stores

To reduce in-store markdowns, corresponding to products withdrawn from sale, solutions are in place to:

- **improve stock and order management:** to reduce the number of products withdrawn from sale, store managers are issued daily information on their waste figures, with a top-40 ranking of products by value or waste rate. Fresh produce line managers rely on sale and production forecasts, adjusting them to allow for weather and other factors;
- **promote short dates and sell products up to one month beyond the best-before date:** Carrefour offers markdowns of 30% to 60% on short-dated products. In dedicated and specially-marked endcap displays, Carrefour also markets a list of products past their best-by dates. Internal tools enable us to go further: weekly alerts on items at risk of being wasted are sent to all store directors and managers in order to trigger initiatives to move such products in stores. These alerts exist both for ultra-fresh produce and for grocery and liquid departments. Employees receive awareness training on waste reduction and best practices on a day-to-day basis, via an e-learning module on Cap Formation, Carrefour's in-house training tool available to all employees;
- **promote products that have been detached or that have shape defects:** in 2021, Carrefour France set up "zero waste challenge" display cases in 30 of its stores: they collect undamaged eggs from broken or soiled boxes and sell them in bulk at a low price. In order not to lose healthy fruit and vegetables packaged in trays, mesh or plastic bags and withdrawn from sale due to the deterioration of one or two products, "zero waste" repackaging in baskets has been set up in all stores. In the same spirit, Carrefour Spain offers a 25% reduction on the price of healthy but "ugly" vegetables. The initiative limits waste while allowing customers to enjoy quality products at a lower cost. In 2022, Carrefour Belgium launched "Zero waste baskets". Sold at a fixed price of 2.50 euros, they comprise slightly damaged or very ripe – but still perfectly edible – fruit and vegetables. In Italy, the Group aims to reduce its food waste by 50% by 2025 through a strategy based on four fundamental pillars: waste prevention, redistribution of excess items, recycling and recovery of waste that is still edible;
- **implement innovative solutions to avoid unsold food:** since 2020, Carrefour has been developing the sale of baskets made up of products nearing their use-by date, in partnership with the Too Good To Go app in France, Spain, Italy, Belgium and Poland, in nearly 3,000 stores. In 2022, 2,212,039 baskets were

sold in France (total of 7,047,000 baskets since 2018). In France, Carrefour has sought to usher in a new approach to retailing by offering 30 exclusive anti-waste *Nous Anti-Gaspi*⁽¹⁾ brand products in its hypermarkets in Greater Paris. Sold at a discount of up to 20%, the *Nous Anti-Gaspi* range includes many popular fresh products, some of which are organic, and all of which are produced either in France or in their historical region. Through this initiative, Carrefour is playing its part to help ease cost-of-living concerns for its customers, while seeking to revisit standards in the retail industry.

2. Reuse unsold food in stores

When food is left unsold, solutions are in place to recover it:

- **optimise donations to charities:** the food donated by Carrefour in 2022 represented the equivalent of more than 45 million meals. Our stores work together with charities to facilitate the regular and organised coordination of donations. Internationally, the Group also combats waste through partnerships between its stores and food charities (including *Banques Alimentaires* and *Restos du Coeur* in France, *Azione Contro la Fame* in Italy, the Red Cross in Spain, Romania and Poland, and *Caritas* in Argentina). Depending on the number of products collected, stores sort out products that can safely be donated to charities without interrupting the cold chain. In addition, in late 2022, the Carrefour Foundation responded to the increase in food aid beneficiaries due to inflation in its various countries by facilitating purchases of basic foodstuffs;
- **biowaste recovery:** when products cannot be donated, they are disposed of as biowaste, which is transformed into biomethane that is then used in our delivery vehicles to transport goods. One tonne of biomethane allows a truck to travel 250 km.

Joint initiatives and partnerships

- Consumer Goods Forum
- Too Good To Go pact: bringing together industry, retail, NGOs, trade organisations and digital operators in the fight against food waste

+ Find out more

- *Carrefour.com*: [Combating food waste/CSR](#) (see the Climate section)
- See also Section 2.1.2.5 Limiting the environmental impact of our sites

(1) An own-brand dedicated to anti-waste products, offered in partnership with 31 producers dedicated to reducing food waste in their production lines by defining flexible specifications, without compromising final product quality.

2.1.3.5 Case studies in 2022

The supply of electric vehicle charging stations in France

In 2021, Carrefour became the first retail banner in France to offer a complete range of charging stations for electric vehicles in partnership with Meridiam, an investor that specialises in essential infrastructure. In 2022, Carrefour stepped up the installation of electric vehicle charging infrastructure by progressively equipping all of its hypermarket and Carrefour Market supermarket properties. By 2025, 5,000 charging points will be in service to facilitate customer mobility. Having initially announced the gradual installation of 2,000 charging points in all of its hypermarkets by 2023, Carrefour has stepped up the pace and extended the programme to all Carrefour Market supermarkets since the second half of 2022. At least 3,000 additional charging points, powered solely by green energy, will be available by 2025, thereby forming France's most extensive electric charging network, with more than 700 charging stations and 5,000 places, half of which supplied with high-performance power by ENEDIS. The first Carrefour Energies recharging station has been open to customers in the Troyes – La Chapelle Saint-Luc hypermarket parking lot since April 8, 2022. On average, hypermarkets and supermarkets will each have 10 and 5 electrified spaces respectively. The service will be accessible via the Carrefour Energies mobile app. Carrefour is France's first retailer to offer a comprehensive range of electromobility products, from 22 kW to 300 kW, to meet users' differing needs.

Launch of the international Plant-Based Contest

On March 31, 2022, Carrefour announced the launch of its new international Plant-Based Contest, a challenge for the most innovative start-ups in the field of plant-based food. From March 31 to May 8, 2022, start-ups from around the world were able to present their plant-based food innovations by registering on a dedicated platform. The panel, chaired by Carine Kraus, Executive Director, Engagement for the Carrefour group, and Guillaume de Colonges, Executive Director, Merchandise, also featured representatives of suppliers and partners including the BEL group, Unilever via The Vegetarian Butcher, Oatly, Proveg, Daphni, Beyond Animal, Capital V and Unovis. The innovations presented were evaluated based on a set of criteria including the plant-based protein product offer, the marketing concept and the service offer. Over 250 start-ups from several countries took part. Fifteen made it through to the final, from which the panel selected ten innovations to be displayed in Carrefour supermarkets and hypermarkets, as well as on its e-commerce platforms. The following start-ups were awarded prizes: La Vie

(France), Lapp (France), Libre Foods (Spain), Novish (Netherlands), Pink Albatross (Spain), Rebl Eats Oy (Finland), Unlimeat (South Korea), Väcka (Spain), Verdify (Netherlands) and VLY Food (Germany). For Carrefour, the Plant-Based Contest is an original initiative that calls on the creativity of innovative start-ups to promote the take-up of a more plant-based and environmentally-friendly diet by a greater number of people.

Carrefour's commitment to its local producers

First placed on shelves several years ago, products from local distribution networks are an integral part of Carrefour's strategy of offering local produce sourced as close as possible to the point of sale. In 2020, the Group announced the acquisition of start-up Potager City, the leading distributor of online subscription-based baskets of extra-fresh and seasonal fruit and vegetables sourced from local producers. In 2022, the Group announced the launch of a local fresh produce format under the "Potager City" banner in France, and several of the Group's countries reaffirmed their support for local producers and their commitment to promoting products from local distribution networks. In Belgium, such products are sourced from small producers located within 40 kilometres of each store. Carrefour Belgium's commitment to producers is based on a charter laying down the rules governing the direct relationship, volumes in line with the pace set by the producer, the fair purchase price and quick payment terms, and no exclusivity clauses. This makes local food companies a key part of Carrefour's business model. In Spain, Carrefour has business relationships with more than 240 suppliers in the Murcia region, representing 262.5 million euros in purchases. These partnerships reward the work of local SMEs in the food market.

Carrefour goes out to meet its producers

As part of the Food Transition Pact, Carrefour organised and facilitated farm meetings between producers and consumers in 2022. Bringing Carrefour, its suppliers, farmers and customers together enabled the Group to raise awareness of responsible farming practices and the role they play in promoting purchases of local products using sustainable practices. Farmers were able to present their initiatives and answer questions. The events took place on three farms. In the Pas-de-Calais department, a potato producer who has been practising no-till farming for more than 20 years shared his profound understanding of regenerative agriculture. The Group also visited a pea, broccoli and butternut squash field, an immersive experience geared towards finding out more about agro-ecological practices in a fun way. The "Field Encounters" ended on a dairy farm, where an end-to-end process from cattle feeding to soil injection reduces the farm's CO₂ emissions by 18%.

2.1.4 HEALTH AND PRODUCT QUALITY

2.1.4.1 Overview of objectives

Context The Group's *raison d'être* is to provide customers with quality services, products and food accessible to all across all distribution channels. Thanks to the competence of our employees, to a responsible and multicultural approach, to our broad territorial presence and to our ability to adapt to production and consumption modes, our ambition is to be the leader of the food transition for all. Guided by this goal to align with consumer expectations as closely as possible, the Group launched its five-year "Carrefour 2022" transformation plan in January 2018, at the initiative of Alexandre Bompard. The aim of this transformation is to enable the Group to effectively meet customers' expectations and support them during the food transition, while also helping producers transition to virtuous farming methods and contributing to the preservation of the world's natural resources.

Understanding and adapting to consumers' new behaviour and to their demands for just and fair prices is crucial. That is why Carrefour has identified three major trends that structure its approach:

- new eating behaviours: meeting growing demand and providing the world population with access to a healthy diet;
- accessibility requirements: reconciling the duty to provide healthy food with affordability is a global issue;
- consumption habits transformed by digital technology: implementing new technology to bring about new promises for consumers, saving them time and delivering a smoother, more transparent and more personalised experience. As the ubiquity of digital technology grows, consumers demand more transparency about the products they buy. Blockchain technology is therefore being rolled out to provide stronger guarantees on food safety and traceability.

Risks and opportunities

Risks related to the quality, compliance and safety of products for Carrefour are integrated into the Company's risk management process (see Chapter 4.1). The risks analysed annually primarily concern the Group's quality processes, the design of specifications and product traceability, compliance with hygiene standards and emergency measures:

- lack of product control and traceability: major deficiencies in product control and traceability could have serious consequences for the health of our customers and fall short of consumer expectations regarding product origin. These shortcomings could also impact Carrefour's business development and results;
- deficiency in the development or compliance with the specifications of MDC products: the specifications of an MDC product include an error or omission which would make it impossible to market;
- failure to meet quality and hygiene standards in the store or warehouse: in the case of a supermarket where inspectors find that spoiled or overripe produce is still available on the shelves following an audit, this could lead to sanctions;

- failure of the removal and recall device: malfunctions in the recall and withdrawal procedure for batches of food products could have serious health implications for customers.

In addition, Carrefour updated its materiality analysis in 2021 (see Section 1.3.1.4). Four issues related to product quality and health are identified as important by stakeholders in the context of the Group's food transition strategy and are among the twenty priority issues:

- developing the range of accessible healthy products, informing customers on health and nutrition (ranked eleventh);
- combatting food insecurity and supporting food aid associations (ranked eighteenth);
- transparency, traceability and guaranteeing product safety (ranked nineteenth), with customers' expectations particularly high on this issue;
- development of accessible and quality products, in particular thanks to the banner's own brand (ranked eleventh).

Our initiatives

The Group uses several initiatives to guarantee consumer health and product quality. Its action plan is based on three pillars:

- Taking action to improve food quality and safety.
- Making quality accessible at a fair price.
- Playing a collective role in the food transition.

Coalitions and partnerships

Collaboration
for healthier lives
(The Consumer
Goods Forum)

As part of the Group's reflection on health and nutrition, in January 2022, a panel brought together various stakeholders (customers, suppliers, associations, start-ups, Carrefour teams and experts) dedicated to health and nutrition in the presence of Carrefour's General Secretary and the Executive Director of Marketing and Customers.

Contributions to the Sustainable Development Goals



Our objectives

TOPIC	OBJECTIVE	DEADLINE
Food security	Undertake a quality audit on 100% of the supplier base	Permanent
Traceability/blockchain	Deploy blockchain technology on 100 Carrefour Quality Lines	2023
Nutrition	Eliminate controversial substances from Carrefour-branded products ⁽¹⁾ : eliminate 20 new controversial substances (120 in total since 2018) from Carrefour-branded products by 2026	2026
	Provide an optimised nutritional profile on the Carrefour product offer: eliminate 2,600 tonnes of sugar and 250 tonnes of salt from Carrefour-branded products by 2026	2026
	Provide clear and transparent nutritional information to the consumer: feature the Nutri-Score on 7,000 products in Europe	2022
Carrefour Quality Lines products	Achieve 10% penetration of CQLs in fresh products	2025
	All Carrefour Quality Lines committed to an agroecological approach by 2025	2025

(1) The establishment of the list of controversial substances is the result of a continuous monitoring process that allows the initial list to be constantly updated with new controversial substances.

2.1.4.2 Taking action to improve food quality and safety

Context and definition

Improving food quality and safety is a key issue for the Group. To guarantee the quality and compliance of its products, Carrefour has implemented a set of requirements and procedures, such as certifications and/or food quality/safety

audits for all of its suppliers' manufacturing sites. In addition to guaranteeing high quality standards, the Group promotes the transparency and traceability of its products thanks to blockchain technology.

Policy and performance

Carrefour has implemented quality, compliance and product safety processes for controlled products and national brands in stores in all host countries that meet three objectives:

- ensure the quality and safety of Carrefour-controlled products via product specifications, quality control plans, in-store quality processes and alert and withdrawal systems;
- guarantee the transparency and traceability of Carrefour products through the use of blockchain technology, which

enables the complete traceability of food products (while guaranteeing the protection of recorded data and the history of product information in the chain, and third-party certifications);

- remove substances that are controversial in health and environmental terms from Carrefour products, right from the start of their production, by reducing the use of pesticides and excluding GMOs.

Key Performance Indicators ⁽¹⁾	2022	2021	Change
Number of suppliers – sites ⁽¹⁾	2,703	3,040	-11%
Number of inspections performed – analyses	49,723	49,002	+1.47%
Number of inspections performed – panels	4,074	4,084	-0.24%
% of plants certified to IFS or BRC standards ⁽¹⁾	78%	89%	-11 pts
% of plants audited by Carrefour ⁽¹⁾ , o/w:	8%	11%	-3 pts
■ % of audit ratings ranging between A and B ⁽¹⁾	96%	95%	+1 pt
■ % of audit ratings ranging between C and D ⁽¹⁾	4%	4.3%	-0.3 pts
% of plants audited by Bureau Veritas	11%	0%	
Number of products withdrawn ⁽²⁾	564	533	+5.8%
% of Carrefour-branded products withdrawn	50.2%	53%	-2.8 pts
Number of products recalled	330	452	-27%
% of Carrefour-branded products recalled	18.5%	18%	+0.5 pt

(1) Scope: suppliers of Carrefour-branded products purchased by the European purchasing centre.

(2) Sales in the food, household and personal care sections.

Comments on 2022 performance. Carrefour implements a series of requirements and procedures to guarantee the quality and compliance of the products it sells. All plants producing Carrefour own-brand products are certified to either International Featured Standard or British Retail

Consortium standards (78% in 2022), or are audited by Carrefour (8% in 2022) or by Bureau Veritas (11% in 2022). Carrefour's control plans also include consumer focus groups and warehouse and in-store checks of product freshness and origin.

Key Performance Indicators	2022	2021	Change
Number of products equipped with blockchain technology and a visible QR code	1,222	478	+155.6%
Number of sectors equipped with blockchain technology	69	55	+25.4%
Sales of organic products (in billions of euros) ⁽¹⁾	2.6	2.7	-3.7%
Penetration rate of lines featuring an Agroecology label within the Carrefour Quality Lines (in fresh produce) ⁽²⁾	6.5%	New	-

(1) Carrefour-branded products and national-brand products.

(2) Indicator measured in France in 2022, to be extended to other countries in 2023.

Comments on 2022 performance. The Group guarantees the transparency and traceability of its Carrefour Quality Lines (CQLs) in France using blockchain technology. The Group continues to develop blockchain as a priority for Carrefour

Quality Lines. Carrefour is also working on identifying and eliminating controversial substances in its own-brand products and on reducing pesticides by supporting the development of organic farming and agroecology.

Action plans

1. Ensuring the quality and safety of Carrefour products

The Group's Quality department develops standards and tools (including purchasing rules), charters and quality guidelines, which it circulates in all of the Group's host countries. The Country Quality departments are brought together in a network to exchange and share best practices in order to guarantee the consistency of approaches. The Group has also launched a major employee training programme and regularly communicates with customers about food safety.

QUALITY PROCEDURES AND POLICIES

Carrefour works constantly with stakeholders to ensure the quality and safety of its own-brand products in all of the Group's host countries, operating a five-pronged policy: supplier compliance with product quality standards, product specifications, quality control plans and customer opinion surveys, in-house expertise, and traceability and data tracking.

The Group seeks stakeholder feedback to continuously improve the safety and quality at each stage of the product's life cycle. For example, Carrefour encourages suppliers to adopt its quality, social practices, health and safety criteria in their production chain. This collaboration implies a lasting relationship of trust, as evidenced by the number of suppliers with more than five years of seniority at Carrefour: 76% in 2022 and 87% with more than two years of seniority. Carrefour also collaborates with civil society organisations (experts, associations, scientists, NGOs, consumer associations, public authorities) in order to take their expectations into account.

CRISIS MANAGEMENT, ALERT AND PRODUCT RECALL

The quality system includes a procedure for swiftly removing any potentially dangerous product from stocks and shelves. In order to guarantee that a non-compliant product is no longer accessible to the end consumer, Internet platforms for the transmission of the information have been developed. This facilitates transmission of the data necessary for the withdrawal by the manufacturer concerned, and the listing and alerting of warehouses and stores likely to have received batches of non-compliant products to ensure effective removal. The EAN barcode of recalled products is blocked at checkout.

Carrefour has an alert system called AlertNet to inform all stores as quickly as possible if they must withdraw or recall a product. It is available online at all times and access is free for suppliers. In the event of an alert, Carrefour immediately withdraws the products and checks that the withdrawal has been completed within 24 hours.

2. Guaranteeing the transparency and traceability of Carrefour-branded products

BLOCKCHAIN TECHNOLOGY

To ensure complete traceability and transparency for consumers, Carrefour is the first European retailer to use blockchain, a technology for storing and transmitting information that cannot be falsified and that operates in shared mode. This allows all players in the value chain – producers, processors and distributors – to provide traceability information for the same batch of products. By scanning the QR code on the product label with a smartphone, the customer has instant access to information on the product and its journey from farm to store shelf.

Carrefour France launched the first food blockchain in Europe in 2018 on Carrefour Quality Lines for free-range chickens in Auvergne. As of end-2022, it had been deployed in 69 Carrefour Quality Lines (CQLs). In 2021, all the Group's countries benefited from blockchain and Carrefour joined the IBM Food Trust platform, the objective of which is precisely to create an international standard for food traceability. In 2019, the platform integrated a wider range of products traced thanks to blockchain with the arrival of manufacturers such as Nestlé or Unilever. In 2021, Majid Al Futtaim, the pioneer and leader in shopping centres, local and regional authorities, retail and leisure in the Middle East, Africa and Asia, turned to IBM Food Trust to ensure the traceability of food distributed in Carrefour-banner stores.

In 2022, Carrefour extended blockchain technology beyond its Quality Lines to its own-brand organic products. This initiative aims to meet consumers' growing demand for transparency of the origin and production methods employed for organic products. The Carrefour Bio navel orange, sourced in Spain and packaged in a four-piece tray, became the first product reference to feature the technology, before blockchain started being deployed for other Carrefour Bio products.

CERTIFICATES, LABELS AND CLAIMS

Carrefour uses third-party certifications which provide a guarantee on complex supply chains, for which full traceability of raw materials is not always available. In order to apply the label to its products, the supplier must meet certain specifications that are verified and validated by a third party before obtaining the certification. Certified products attest to their superior quality and provide consumers with information about their certified characteristics.

Certification can also be a means of reducing the environmental and social impacts related to procuring sensitive raw materials. However, it has its limitations, as market transformation is not always rapid. This is why Carrefour is seeking to diversify solutions to improve the traceability of raw materials. For example, to ensure that the origin of the beef distributed in Brazil does not contribute to deforestation, Carrefour relies on a geo-monitoring tool that surveys breeding plots via satellite. Whereas certification results in an *a posteriori* guarantee, geo-monitoring verifies real-time compliance with the specifications defined by Carrefour. The Group is studying the use of these tools for other types of agricultural production.

3. Cutting out controversial substances

REMOVING CONTROVERSIAL FOOD ADDITIVES FROM CARREFOUR-BRANDED PRODUCTS

Ahead of legislative and regulatory change, Carrefour has embarked on a global campaign aimed at eliminating controversial substances from its product ingredients. A list of undesirable substances and ingredients (such as flavouring agents and certain additives) that applies stricter standards than regulatory limits has been established. Authorised additives are examined to establish a continually updated classification divided into four categories:

- black: substance already absent from all Carrefour-branded product categories;
- red: substance authorised only in certain product categories (such as certain alcohol colourants);
- orange: substance authorised, but to be replaced if possible;
- green: substance authorised without restriction.

Carrefour has eliminated any controversial substances that could be categorised as "black". When substitute solutions for certain substances classified as "black" are not available, Carrefour first chooses to reduce their levels and works to identify satisfactory substitute solutions in the short term.

A new target was set with the adoption of the new Carrefour 2026 strategic plan. The Group planned to eliminate 20 new substances from its own-brand products by 2022 ⁽¹⁾. Until

then, each country defined its own list of 100 controversial substances, although the list was relatively similar from one country to the next. From now on, Carrefour wants to apply the same list to all Group countries (G6), adding the 20 new controversial substances.

REDUCE THE USE OF PESTICIDES AND REMOVE GMOS

Carrefour invests in organic farming and enlightened sustainable farming practices through the deployment of agroecological practices. Carrefour is aiming to generate 15% of fresh food product sales through organic or agroecological products by 2025. For the Group, helping farmers to convert to organic farming reflects its social responsibility, contractualised by a commitment lasting 5-7 years. The banner wants to support hundreds of producers in this profound change in crop and livestock farming. At the end of 2022, the Group had 3,530 partner producers in organic farming. In France, Carrefour has also decided to eliminate some chemical pesticides by developing agroecology for its Carrefour Quality Lines (CQLs) and Reflets de France ranges. Carrefour has made a commitment with its partner producers that 100% of its Carrefour Quality Lines products will be agroecological by 2025 and that CQL products will represent 10% of its fresh produce range. In concrete terms in the store, it is possible to find strawberries without synthetic pesticides once they bloom, as well as kiwis, frozen broccoli, pasta and lentils without insecticides.

In 1998, Carrefour brought in a policy of excluding GMOs and their derivatives from its own-brand products and from the feed for livestock used in its Carrefour Quality Lines. All Carrefour-branded products have been free of genetically-modified ingredients since 1999. This policy extends to the cultivation of non-GMO soybeans. The Group developed a first GMO-free soy livestock feed line for Carrefour Quality Lines products in Brazil in 2000, as well as a French line in 2017.

Joint initiatives and partnerships

- IBM Food Trust

+ Find out more

- [Carrefour.com: Product nutrition, quality, compliance and safety/CSR](#) (see the Health and product quality section)
- [Carrefour.com and CSR report: Protecting biodiversity/CSR](#) (see the Biodiversity section)

(1) Scope: G6.

2.1.4.3 Providing a quality offer accessible to all

Context and definition

Consumers have high expectations regarding the nutritional quality of the products they buy, even in the current context of purchasing power sensitivity. Today, 77% of French people say they are influenced by the composition of products, 57%

by the Nutri-Score and 45% by reviews and scores from nutrition apps ⁽¹⁾. As such, Carrefour has a duty to continuously improve its offer by reformulating its existing product lines, by providing additional nutritional information on products, and by offering quality food that is accessible to all, particularly thanks to its own brand.

Policy and performance

Key Performance Indicators	2022	2021	Change	Target
Number of products that display the Nutri-Score	4,101	New	-	7,000 by 2022
Reduction of 2,500 tonnes of sugar in Carrefour-branded products	New	-	-	2,500 by 2026
Reduction of 250 tonnes of salt in Carrefour-branded products	New	-	-	250 in 2026

Comments on 2022 performance. Carrefour continues to enhance transparency to provide consumers with clear and transparent nutritional information. In 2022, more than 4,000 products displayed the Nutri-Score. As part of the

Carrefour 2026 plan, the Group pledged to eliminate 2,600 tonnes of sugar and 250 tonnes of salt from Carrefour-branded products by 2026 (from 2022 levels).

Action plan

1. Reformulating existing product lines

Carrefour has redesigned all its own brands to embody the food transition. Since 2018, the Group has taken further strides to reformulate and optimise the nutritional profile of its products, in all countries where it operates. For example, it has worked on reducing sugar levels in sweet beverages and salt levels in tinned vegetables and on eliminating other substances, such as colourants, flavourings and disruptors. Since 2019, almost 400 recipes have been reformulated to improve their nutritional profile or composition.

With the adoption of the Carrefour 2026 strategic plan, quantitative objectives were set for the nutritional value of products. The Group has thus pledged to eliminate 2,600 tonnes of sugar and 250 tonnes of salt from Carrefour-branded products.

2. Providing additional nutritional information on products

Carrefour has made the choice to provide its customers with clear nutritional information. The Nutri-Score label, which has gradually been rolled out on the packaging of Carrefour brand products and the *carrefour.fr* website, reflects this choice. Developed by the French government, this logo shows a product's nutritional value. Its five-letter scale, from A (products with the highest nutritional value) to E (products with the lowest nutritional value), and colour grading from green to red displays, in a glance, the nutritional profile of products.

The algorithm developed to produce the Nutri-Score takes into account more nutritious ingredients (fibre, protein, fruit and vegetables, legumes, nuts, and olive, walnut and rapeseed oils) and factors to avoid (calories, salt, sugar and saturated fats).

As at the end of 2022, the Nutri-Score had been deployed in Belgium, Spain, France and Poland.

3. Providing quality food that is accessible to all

Carrefour intends to make healthier, high-quality foods available at fair prices to as many people as possible in all its host communities and under all circumstances, thanks to the mobilisation of its teams. Carrefour's commitment to the food transition for all is also a commitment to bridging the food divide. Carrefour refuses to let certain categories of the population, or certain communities, be excluded from the progress being made in nutritional quality, simply because of price or physical accessibility.

The development of Carrefour Quality Lines, which offer consumers affordable, high-quality mid-market products, serves as the foundation for this shift. Carrefour products play a central role in this commitment, as development goes not only into improving product quality, origin, composition and sustainability but also into making products more affordable.

One example of this is the page dedicated to the "Eating better" programme initiated by Carrefour which gives tips for low-cost meals. Organic own brands offer organic quality for competitive prices. With products priced at an average of 20% less than leading organic brands, own brands are helping to democratise organic products, which remain on average 60% more expensive than conventional products.

In its efforts to take a holistic approach in contributing to the solidarity food transition, the Carrefour Foundation supports medical research into the causal links between food and health (AFM Telethon, Foundation for Medical Research, Nantes University Hospital). For instance, the Foundation is backing the application of new therapies to combat insulin resistance and type 2 diabetes at the ICAN University Hospital Institute in France.

(1) Infopro Digital Studies for Imediacenter and LSA. "Sustainable Brands: les Français et les marques, une relation durable?" (Sustainable Brands: the French and brands, a sustainable relationship?) 2022.

2.1.4.4 Training employees and guiding consumers towards a balanced diet

Context and definition

Producers, employees, industry players, elected officials, associations, NGOs and consumers all have a role to play in the food transition. In this mindset, Carrefour endeavours to build collaboration with different partners that promotes a

shift towards better nutrition. The Group also trains its employees and pledges to help consumers change their habits.

Policy and performance

Key Performance Indicators	2022	2021	Change	Target
Number of employees trained in the food transition and organic products (in-person)	10,040	8,483	+18%	-
Number of employees trained in the food transition and organic products (e-learning)	8,520	2,806	+204%	-

Comments on 2022 performance. In 2022, the number of employees trained in the food transition and organic products increased by 24% for in-person sessions and by 204% for e-learning modules. This reflects the Group's commitment to engage its staff in the food transition by accelerating the use of digital technology and promoting remote learning programmes.

Action plan

1. Communicating and encouraging customers to join the eating better movement

Carrefour is at the centre of the food transformation with its Act For Food programme. In France, Carrefour offers nutritional recipes on its website *carrefour.fr*, which also features a section dedicated to special diets (gluten-free, lactose-free, sugar-free, reduced salt, vegetarian and vegan). In Spain, in 2022, Carrefour became the first company to launch an exclusive edition of Monopoly dedicated to food and eating. Hasbro's iconic board game was revamped to incorporate Carrefour's image, the values of the food transition for all and the "Food for All" campaign created to encourage healthy lifestyles.

In Romania, Carrefour has set up a food education programme where young people can learn about the basic principles of nutrition, good food combinations, where our food comes from, vegetable growing methods, and more. On top of this classroom learning, practical sessions will be available where programme participants can get started on developing healthy habits. Parents were also given the opportunity to learn about healthy eating practices. Currently, 220 students are enrolled in the programme.

2. Communicating and encouraging employees to join the eating better movement

Training is a priority for Carrefour. The key areas covered in training programmes line up with the major themes of the "Carrefour 2022" transformation plan: promoting the food transition and advocating good practices for better eating. In 2022, 10,540 employees were trained face-to-face and 8,520 by e-learning on key topics such as the market for organic products and fresh produce.

In Spain, a Chair of food and nutrition was created as part of the ACT for Food programme. The initiative aims to provide a training programme for the Group's food buyers. The Healthy Nutrition e-learning course was used to teach buyers the basics of a healthy diet, with in-depth content available on nutrition. A total of 72 employees were trained in 2022 thanks to this Chair, which has been in place since 2018, and some 35,000 people took the Healthy Nutrition e-learning course.

Carrefour is mobilising its employees around the challenges stemming from its transformation plan and its *raison d'être*. The Group has rolled out the "Act For Food Super Heroes" programme to showcase the work of employees who are most committed to the food transition programme and encourage them to share their best practices. This programme harnesses the enthusiasm of Carrefour employees to get involved in the food transition. It is part of a new managerial strategy developed by Act For Change which strengthens employee leadership skills. As part of an "intrapreneurial" mindset, everyone is able to deploy a project or an initiative that serves the Group's mission. In 2022, more than 2,000 food transition "Super Heroes" were identified across the Group.

Joint initiatives and partnerships

- IBM Food Trust
- WWF France
- Consumer Goods Forum
- ICAN University Hospital Institute, Nantes University Hospital, Foundation for Medical Research (FRM), AFM Telethon
- The Health and Nutrition Panel which brought together various stakeholders on the subject of health and nutrition, with the presence of the Group's Secretary General, the Executive Director of Marketing and Customers

+ Find out more

- [Carrefour.com: Product nutrition, quality, compliance and safety/CSR](#) (see the Health and product quality section)

2.1.4.5 Case studies in 2022**International Food Transition Awards: spotlight on virtuous suppliers in terms of CSR**

Launched in 2021, the European Food Transition Awards is an online competition among Carrefour's leading international and local suppliers. The initiative comes under the Food Transition Pact, a mutual commitment established in 2019 between Carrefour and its partners. The first edition of the competition was open to the six European countries where the Group operates (France, Belgium, Spain, Italy, Poland and Romania). Pursuing its ambition to be the leader of the food transition for all, and building on the success of the European Food Transition Awards, in 2022 Carrefour launched a new edition in partnership with RTL, the International Food Transition Awards. This competition rewards the most virtuous suppliers in terms of CSR in the eyes of consumers. The international edition was opened to Argentina, Brazil and Taiwan, for a total of nine participating countries (all the Group's integrated countries). Carrefour launched a call for projects from suppliers in the summer, and those whose products were selected presented their commitments on five key themes of the food transition: health and nutrition, packaging, sustainable and organic agriculture, responsible communication and transparency. One prize was awarded in each of the nine product categories, along with two national awards for each country participating in the competition (one national brand product and one Carrefour private-label product). Customers voted to shortlist three finalists in each category, and the winners were chosen in December 2022 by a jury of ten international CSR experts. Winning products enjoy significant visibility in stores and online for one year. For the 2022 competition, more than 570,000 votes were cast for 250 international and local suppliers and 300 products.

Overview of the Group's lines featuring blockchain technology

Blockchain technology brings numerous benefits to the food industry. It meets consumers' increasing need for transparency; for breeders, it is a means to showcase what they produce and their expertise; and it enables Carrefour to share a secure database with all of its partners and guarantee higher food safety standards for its customers. Carrefour was the first French retailer to apply blockchain technology. In 2019, Carrefour began

gradually integrating blockchain technology into the Carrefour Quality Lines (Auvergne chicken, Cauralina tomato, Loué free-range eggs, Rocamadour AOC cheese, Norwegian salmon, etc.). In 2021, blockchain traceability was extended to TEX brand textile products. In 2022, more than 500 products across 69 lines were equipped with the technology. The Group decided to extend blockchain technology beyond its Quality Lines in 2022 and apply it to its own-brand organic products. In April 2022, the Carrefour Bio navel orange, sourced in Spain and packaged in a four-piece tray, became the first product reference to feature the technology, before blockchain started being deployed for other Carrefour Bio products. This means that by scanning the QR code on the label, consumers can access additional product information, i.e., the entire product life cycle (origin, transport, quality and organic certification). Carrefour is the first retailer to apply blockchain technology to its own-brand organic products.

Food transition and purchasing power: providing healthy and affordable food in times of crisis

In June 2022, Carrefour launched the anti-inflation challenge, offering a selection of 30 essential products for under 30 euros throughout July, as well as the "prix serrés" (knockdown prices), campaign which is still under way. The initiative covers 200 national-brand products for which Carrefour pledges to reduce its margins. The idea is to avoid passing on price increases to consumers as much as possible, if at all. In France and Spain, Carrefour offered its customers a list of 30 products for 30 euros. In Belgium, Carrefour announced on August 30, 2022 its campaign to offer 1,000 products for less than 1 euro, from both Carrefour brands and national brands (bananas, brie, white bread, and more). Taking an active role in the food transition, Carrefour continues to encourage its customers to eat better, even in times of crisis. Eating fruit and vegetables is essential for good health, which is why Carrefour launched the campaign to promote five fruits and vegetables for less than 1 euro in France and Belgium in 2022. This concrete initiative helps boost its customers' purchasing power while providing them with healthy food options. Carrefour France has taken further steps by offering a selection of organic products for less than 2 euros as part of its anti-inflation challenge.

Promoting better eating at the best price

Carrefour supports its customers in their transition to healthier, higher quality and accessible foods. The Group uses new technologies to guide consumers in their in-store choices. In Brazil, for example, Carrefour has launched a new feature on its My Carrefour application: the Nutri Choice tool. Based on an algorithm that analyses the purchase history of each customer, Nutri Choice offers, via a list of suggestions, personalised

alternatives that are both more balanced and more economical. Carrefour Brazil's Cybercook online platform also offers an interactive cookbook, downloadable via the My Carrefour application, which is available in stores in hard copy: "*ComerEmCasa*: the best recipes for a simple and healthier life". Through 81 recipes, the book explains how to cook healthy food while saving money. Each recipe has a QR code that directs the reader to the preparation and special pages that provide more general information on the ingredients and their costs.

2.1.5 BUSINESS ETHICS AND SUPPLY CHAINS

2.1.5.1 Overview of objectives

Context As a retailer, Carrefour is in direct contact with numerous stakeholders and has a duty to maintain high-quality relations with its suppliers, producers, trade union representatives, public authorities, investors, NGOs, associations and customers. In 2021, the Group surveyed its customers when it updated its materiality analysis. They expressed high expectations in terms of respect for human rights, creating sustainable relationships and fair distribution of the value created within supply chains. Respect for animal welfare and guaranteed ethical farming were also identified by customers as a priority issue for the food transition.

More broadly, under its duty of care, the Group has a responsibility to its direct and indirect stakeholders to guarantee respect for human health and safety, human rights and the environment. Carrefour aims to act beyond reproach in its relations with its partners at all levels, especially in its business relations, in compliance with applicable regulations such as the General Data Protection Regulation (GDPR) and the Sapin II law on corruption.

Carrefour has been successful in building long-term relationships with its partners. The wide range of partnerships with local economies and producers helped secure supplies, especially in the fruit and vegetable supply chain. Additionally, Carrefour continued to honour its commitments to its suppliers, a key factor in sustaining the local economy in the host communities where it sources products.

Risks and opportunities

In its analysis of Group risks, Carrefour identified three main risks involving relations with partners and stakeholders:

- "Carrefour and its suppliers accused of failing to comply with labour law, human rights and/or fair remuneration". To identify those countries where risk of non-compliance with the charter is the highest, Carrefour has established a country-by-country risk map, which was revised in 2018 in line with the duty of care plan. The list of countries at risk in terms of this social component is derived from the country-by-country risk classification defined by amfori BSCI and on the ITUC Global Rights Index. The classification also takes into account recommendations from the International Federation for Human Rights and from Carrefour's local teams. A new mapping exercise was launched in 2022, with results expected during 2023;
- "non-compliance with anti-corruption legislation (Sapin II law)". The corruption risk-mapping process was updated in 2021 for each main business sector (retail, Property, Banking and Insurance). 576 employees were interviewed in the course of sessions organised throughout the Group. This update was used to redefine corruption risk scenarios for each managerial and operational process and rank any action plans for more effective risk management and analysis of existing controls;
- "non-compliance with data protection legislation (GDPR, LGPD, etc.)".

Our initiatives

Carrefour's responsibility to its stakeholders is manifold. The main issues identified are:

- **support for the local economy:** thanks to its global network of 14,348 integrated and franchised stores, Carrefour provides its customers with convenient local retail options in all its countries of operation. Each store has the independence necessary to adapt its product assortment and services portfolio to local needs and build close relationships with its customers. Prominent display of local products is notably encouraged, with the development of brands such as Reflets de France and Terra d'Italia. Through its partnerships with local producers of organic products, Carrefour Quality Lines and local SMEs, the Group supports local economic development;
- **respect for health, safety and human rights within the supply chain:** working with its various stakeholders (investors, consumers, NGOs, etc.), Carrefour anticipates risks relating to its activities upstream of its distribution operations, via their supply chain. In this regard, Carrefour is committed to constantly improving working conditions and protecting human rights and the environment among its suppliers. To meet its commitments, Carrefour puts risk assessment and prevention at the heart of its management system. Carrefour endeavours to assess the social and environmental compliance of its suppliers worldwide and to promote CSR practices throughout its value chain;
- **guaranteeing ethical breeding:** for the past few years, Carrefour has been deploying a programme aimed at improving animal welfare in its supply chains. In collaboration with its stakeholders and NGOs specialising in animal welfare, Carrefour has defined its criteria and ensures they are included in the specifications of its own-brand products. Progress plans and monitoring tools have also been developed to support the transformation of production methods;
- **supporting fair trade and promoting decent wages:** Carrefour is committed to ensuring adequate compensation for its employees and within its supply chains to provide them with an adequate standard of living, which is recognised by the United Nations and the International Labour Organization as a human right. Work is therefore undertaken to guarantee a decent wage across Carrefour's employee population and supply chain network. Through its purchases, Carrefour has been developing and supporting fair trade for more than 20 years, and in doing so contributes to improving the living conditions of producers and the long-term development of communities;
- **guaranteeing fair practices and personal data protection in business relationships:** corruption can take several forms in Carrefour's normal course of business. Bribery, gifts and favouritism can be linked to the purchasing functions, as well as business development requiring official authorisations. The commitment of Carrefour's governing bodies should give local teams a better understanding of the fight against corruption and accelerate global compliance. Data protection is also a vital challenge for Carrefour. Compliance on this issue is an opportunity for the Group to strengthen the relationship of trust with Carrefour customers, employees and partners as part of a more comprehensive approach to digitising the Company.

Coalitions and partnerships

Institute of Public and Environmental Affairs (IPE)

Fashion Pact

Initiative for Compliance and Sustainability (ICS)

Business Social Compliance Initiative (BSCI)

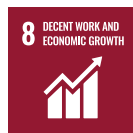
Leather Working Group

Laboratoire d'Innovation Territoriale Ouest Territoires d'Élevage (LIT Ouesterel)

Association Étiquette Bien-Être Animal (AEBEA)

Other animal welfare organisations: World Animal Protection, Welfarm, OABA, CIWF

Contributions to the Sustainable Development Goals



Our objectives

TOPIC	OBJECTIVE	DEADLINE
Suppliers	500 suppliers involved in the Food Transition Pact	2030
Local action	50,000 partner producers in all Group countries by 2026 (organic producers, Carrefour Quality Lines, regional and local)	2026
Supply chain	Social audits performed on all supplier factories of controlled products located in high-risk or risk countries	Permanent
Raw materials	Only sustainable and traceable raw materials used in TEX products by 2030	2030
Personal data protection	Establishment of an organisation, rules and procedures for the protection of personal data	Permanent
Animal welfare	Eight key objectives of our animal welfare policy implemented in all Group countries by 2025	2025

2.1.5.2 Respect for human rights and labour rights

Context and definition

Business activities impact human rights in host countries and beyond, whether through their own operations, within their sphere of influence or via their value chain. In respect of their duty of care, companies have in recent years made progress in taking the social and environmental impacts of their internal and purchasing processes into account. They have worked to define objectives and monitor indicators to disseminate best practices among their teams and suppliers and, where necessary, to rectify their practices.

Carrefour pledges to promote, respect, enforce and protect human rights in its sector of activity and within its sphere of influence. Carrefour's policies draw on international, universally recognised instruments upholding human rights: the Universal Declaration of Human Rights, the International Labour Organization (ILO), Declaration on Rights at Work, and other relevant ILO conventions. The Group, which works with thousands of suppliers around the world, also measures the risks inherent to its supply chains, assesses the social and environmental compliance of its suppliers, and promotes CSR best practices throughout its value chain.

Carrefour's policy and performance

The Group aims to promote respect for human rights by all of its employees and the employees of its franchisees. Drawing on the key recognised international standards and guidelines on human rights, Carrefour has set targets in line with the following issues: compliance with local and regional legislation and regulations on labour law and human rights in general; combating child labour, forced labour, slavery and human trafficking; respecting working hours; protecting employee health and safety; ensuring decent pay and employee benefits; fighting against all forms of harassment and discrimination; promoting social dialogue, collective bargaining rights, freedom of expression and association; and

respecting privacy and personal data.

Carrefour is also committed to improving its suppliers' working conditions and respect for human rights and it puts in place tools and procedures for monitoring and supporting its suppliers. In accordance with Carrefour's purchasing rules, the Group has made the following commitments:

- compliance audits performed on all supplier factories located in high-risk or risk countries;
- only sustainable and traceable natural raw materials used in TEX products by 2030.

Key Performance Indicators ⁽¹⁾	2022	2021	Change
Percentage of audits with alerts (potential production plants)	17%	14%	+3 pts
■ Of which alerts related to working hours	28%	27%	+1 pt
■ Of which alerts related to compensation, working conditions and benefits	24%	22%	+2 pts
■ Of which alerts related to health and safety	30%	38%	-8 pts
Indicators ⁽²⁾	2022	2021	Change
Number of social audits (potential production plants)	1,418	918	+54.5%
■ Of which Bangladesh	54	51	+5.9%
■ Of which China	907	576	+57.5%
■ Of which India	77	59	+30.5%
■ Of which Turkey	102	63	+61.9%
■ Other	278	169	+64.5%

(1) Audits carried out according to the ICS standard only.

(2) Audits conducted under ICS standards (number of audits carried out at Carrefour's request) and BSCI standards (number of audits carried out at Carrefour's plants).

Comments on 2022. The number of social audits increased in 2022, reflecting both their frequency and the rescheduling

during 2022 of certain audits that had been postponed in 2021 due to Covid-19 travel restrictions.

Action plans

1. Protecting Group employees

For the past 20 years, Carrefour has demonstrated its commitment to the protection of human rights, health and safety, and the environment, in particular through partnerships with major NGOs working in these areas, notably the WWF® for environmental protection (1998), UNI Global Union for working conditions and fundamental freedoms (2001), and the International Federation for Human Rights (FIDH) (2000-2018). The Group has been a signatory of the United Nations Global Compact since 2001, and all integrated Group host countries are members of the ILO.

First distributed in 2016, Carrefour's Principles of Ethics provide employees with a set of guidelines on how to conduct themselves in the workplace on a daily basis. These principles mainly cover respecting diversity, contributing to a safe and healthy working environment, promoting social dialogue, banning all forms of harassment and discrimination, ensuring the safety of people and property, and acting with integrity, both individually and collectively.

To make sure the principles are applied properly, Carrefour has set up its own ethics whistleblowing system that can be used by Group employees or stakeholders to report any situations or behaviour that do not comply with its Principles of Ethics (see also Sections 2.2.5, 2.2.7.2 and 2.2.7.3).

Carrefour also provides its employees at Group level and throughout France with e-learning courses on human rights to educate them about these issues.

Carrefour also takes steps to ensure that its international franchisees respect human rights by systematically attaching a Human Rights Protection Charter to their contracts, requiring them to comply with international labour rights standards. Franchisees also agree to ensure that all employees, suppliers, sub-licensees, subcontractors and sub-franchisees comply with these commitments.

2. Protecting Carrefour's suppliers and value chain

Carrefour is committed to improving working conditions and protecting human rights among its suppliers, by implementing purchasing rules, tools and procedures to verify its suppliers' compliance and assist them in the compliance process.

The purchasing rules provide the framework for the social and environmental compliance of purchases of certified products, which meet specifications defined by Carrefour and undergo specific quality checks. These rules apply to all Group entities and all production countries based on their risk level. Disseminated in all countries where the Group operates, the rules specify that suppliers must sign a Commitment Charter; the process and compliance rules for social audits; the Group's purchasing entities must appoint a person in charge of social and environmental compliance; and an action plan to bring sensitive production phases and raw materials into compliance with specific purchasing rules.

An integral part of all purchasing contracts in all countries, the Supplier Commitment Charter essentially extends Carrefour's respect for and promotion of human rights to a broader scope. The charter takes up the Group's Principles of Ethics and stipulates that suppliers agree to comply with its standards on human rights, ethics and the environment. It prohibits any concealed or unreported subcontracting, and requires, as a knock-on effect, Group suppliers to apply the same social compliance standards to their own suppliers.

MAPPING SUPPLIERS AND VALUE CHAIN

To identify those countries where risk of non-compliance with the charter is the highest, Carrefour has established a country-by-country risk map, which was revised in 2018 in line with the duty of care plan. Procurement potential and purchasing rules therefore depend on the risk rating assigned to each country:

- severe risk: production and supply are suspended in these countries;
- high risk: authorisation at Group level is required for any production in these countries. Once the country is approved, Carrefour teams working in the country inspect and monitor plants;
- moderate risk: the plant is selected in strict application of the Group's purchasing rules;
- low risk: purchasing rules apply, but an audit is not required.

SECTOR-BASED APPROACHES AND SENSITIVE MATERIALS

Since 2018, Carrefour has also kept an up-to-date list of "sensitive" production phases that may present human rights and environmental risks. These phases may either take place during the manufacturing processes of Carrefour suppliers or further upstream in the value chain. The Group also identified the raw materials associated with social and/or environmental risks throughout their value chain. These raw materials have been prioritised based on their risk level and materiality for Carrefour.

SUPPORTING AND TRAINING EMPLOYEES AND SUPPLIERS

To reinforce the protection of human and labour rights, training is provided on specific social issues. Courses on purchasing rules and the BSCI programme was provided for staff in France and Spain. Since 2019, some 80 purchasing and quality staff members have been trained, along with more than 250 people from Global Sourcing teams (Shanghai, Hong Kong, Bangladesh, India, Turkey, Cambodia and Vietnam).

Carrefour also supports its suppliers to improve CSR performance within the supply chain outside its direct scope, in collaboration with consultants and local NGOs. All suppliers of the Global Sourcing entity must assess their own tier 1 suppliers identified as being high-risk (tier 2 suppliers for Carrefour) based on ESG criteria using a framework/application provided by Carrefour, which reduces non-compliance risk upstream. In 2019, Carrefour provided training at the plants of its tier 1 suppliers in Bangladesh, Pakistan and India, along with other tools to deal with identified risks. The project has been deployed since 2020 in the following countries: India (242 tier 2), Bangladesh (309 tier 2), Pakistan (57 tier 2), Cambodia (8 tier 2), Vietnam (4 tier 2), Burma (3 tier 2) and Sri Lanka (15 tier 2).

Carrefour has also drawn up the Good Factory Standard, a practical training document distributed to all factory representatives. Featuring a breakdown by sector and/or by type of product (bazaar, clothing, wood, leather, etc.), the Standard offers a set of basic requirements to follow and lists good and bad practices.

DEVELOP CONTROL PROCEDURES

In accordance with Carrefour's purchasing rules for controlled products, all supply plants located in high-risk or risk countries must undergo a social audit conducted under Initiative for Compliance and Sustainability (ICS) and Business Social Compliance Initiative (BSCI) standards. To be accredited, suppliers are subject to several checks, including a pre-audit, a technical audit, a social audit and an environmental audit. Social audits are mandatory for suppliers located in countries classified as risk countries, for all plants manufacturing products under Carrefour brands with a required rating of A or B grade (C, D and E ratings do not qualify). For suppliers located in low-risk countries, the inspection system is adapted to the business, local problems and on-site practices, as external audits are not performed systematically.

In addition to the audits, Global Sourcing's quality teams visit sites according to an inspection schedule set by Carrefour to check product quality compliance and offer on-site surveillance during production. All textile plants are systematically inspected at least once a year to ensure that quality procedures and the factory standard are in line with the Carrefour Good Factory Standard.

Since 2019, clothing supplier assessments have incorporated a CSR score in addition to the usual commercial, quality, and delivery (supply) scores. This CSR assessment includes the results of social audits, environmental assessments and alerts, management of suppliers (tier 2 suppliers for Carrefour), component traceability, supplier certifications and good CSR practices (aside from mandatory compliance).

Joint initiatives and partnerships

- Initiative for Compliance and Sustainability (ICS)
- Business Social Compliance Initiative (BSCI)
- Bangladesh Transition Accord

+ Find out more

- [Supplier Commitment Charter](#)
- [Principles of Ethics](#)
- [Duty of care \(see Section 2.2 of this chapter\)](#)
- [Ethics hotline](#)

2.1.5.3 Fair compensation and decent wages

Context and definition

The Group's employees are its key asset. In its day-to-day business, the Group seeks to protect and develop its human capital and that of the community in which it operates. It focuses on achieving this by providing favourable working conditions, fair compensation and decent wages.

As part of the "Acting with simplicity" commitment of its "Act for Change" programme, which aims to provide a secure and positive professional environment for its employees, Carrefour pledges to respect the human rights and fundamental freedoms of its employees. Consequently, the Group is committed to ensuring that each employee receives an

adequate living wage to achieve a suitable standard of living, which is recognised by the UN and by the International Labour Organization (ILO) as a human right. This basic right is covered by the global framework agreement, which was renewed and strengthened on October 5, 2022 with UNI, to promote social dialogue, diversity and fundamental labour rights within the Group. Carrefour also pays close attention to recognising its employees' work. To retain its talent, it rewards its employees' performance and skills through fair and satisfactory compensation.

Policy and performance

1. Among Carrefour suppliers

Each host country sets its own compensation policy, in line with local standards. However, the Group has defined the following global compensation goals applicable to all its host countries, which aim to guarantee decent wages for all its employees:

- compliance with local or regional laws and regulations concerning wages in all Carrefour and franchisee countries;
- compliance with sectoral collective bargaining agreements on compensation (in particular by enforcing the minimum wage set by the country or province) in all countries where Carrefour, the Group's directly operated entities and its franchisees operate;

- efficient payroll management;
- fair definition of compensation;
- performance assessments relating to pay and decent wages.

2. Among local, national and SME suppliers

Carrefour has set a target to partner with 50,000 organic farmers, Carrefour Quality Lines, regional and local producers by 2026. One of the guarantees from entering into agreements with these partners is fair pricing practices. The Group is also introducing SME Plans in all countries to develop business with SMEs. Lastly, Carrefour supports local industries through various crises (for example, the milk crisis in France, health crisis in Spain, etc.).

Key Performance Indicators	2022	2021	Change	Target
Number of organic farmers, CQLs, regional and local producers	22,176	24,980	-11%	50,000 by 2026

3. Among Carrefour suppliers and throughout the supply chain

Through its Carrefour Supplier Commitment Charter on human rights, Carrefour pledges to provide workers with satisfactory compensation to meet their basic needs and those of their family members who depend directly on them.

In accordance with Carrefour's purchasing rules, all supply plants located in high-risk or risk countries must undergo a social audit, including assessments on the minimum wage for employees of these suppliers. The audits are conducted under Initiative for Compliance and Sustainability (ICS) and Business Social Compliance Initiative (BSCI) standards.

Key Performance Indicators	2022	2021	Change
Number of social audits performed	1,418	918	+54.5%
■ Of which alerts related to compensation, working conditions and benefits	24%	22%	+2 pts
Percentage of audits with alerts (potential production plants)	17%	14%	+3 pts

Carrefour also provides training, implements regional projects and supports fair trade to help its suppliers promote CSR within its supply chains and foster development in host communities where it sources products

Indicators	2022	2021	Change
Sales (incl. VAT) of fair trade products (own brand and national brand) (in thousands of euros) ⁽¹⁾	137,167	126,855	+8.1%

(1) Scope: BR and ES excl., non-comparable BUs (81% of 2022 consolidated gross sales vs. 100% in 2021).

Action plans

1. For our employees

The Group enforces a sustainable compensation policy, which takes into account the issues of purchasing power within each country. Compensation levels most often exceed the local legal minimum wage and are usually supplemented with profit-sharing plans, social protection and employee benefit schemes. The employee compensation policy is defined by country, with consideration for the local context, practices and issues, and in line with the Group's goals that apply in all host countries. Signed by Carrefour with UNI Global Union in 2001 and strengthened in 2015, 2018 and again in October 2022, the global framework agreement incorporates the UN Guiding Principles and ILO Core Conventions on decent wages and ensures that workers' rights to decent wages are recognised. The working time monitoring systems, implemented at all Carrefour and franchisee sites, optimise payroll management and ensure that employees receive fair compensation, aligned with actual working hours and at regular intervals. Each country uses individual and collective performance assessment systems to adjust compensation and bonuses accordingly.

2. Among our local, national and SME suppliers

Carrefour's goal is to bring together 50,000 organic, regional and local Carrefour Quality Lines partners. A partner producer is a producer or supplier with which Carrefour has a close relationship, governed by a specific contract (multi-year commitment, commitment on price, commitment on volumes, simplified listing process, accelerated payment, SME contract, other). The partnerships between Carrefour and its local and national suppliers are bound under contractual terms to guarantee fair compensation.

Each country where the Group operates has introduced an SME plan to build close relationships with small- and medium-sized companies (including direct contact, setting up of clubs, awards programmes to foster innovation, etc.) and a "Carrefour SME contract", set for a specific duration and offering a dual ombudsmen system, a system to ease cash flow for SMEs, a specific e-mail address, and contract signing on December 31. This action plan also includes training for buyers on specific issues related to business relations with SMEs and ensuring compliance with Carrefour's Code of Ethics (e.g., displaying the Code of Professional Conduct in the booths where negotiations take place). To develop business with these smaller entities, local listing and payment processes can be accelerated. In France, in 2022, Carrefour implemented multiple local initiatives to support supply lines and reasserted its commitment to SMEs by signing contracts with more than 4,038 local and regional SMEs.

Finally, Carrefour supports local industries in meeting challenges identified in the various host countries, particularly since 2020 in response to the health crisis. For example, for the third consecutive year in France, Carrefour and Système U signed agreements in 2021 with SODIAAL, Yoplait, Lactalis Fromages, Lactalis Nestlé Ultra Frais, Savencia and Eurial, to raise the price paid to milk producers. In 2022, in accordance with France's new EGAlim 2 law, passed to protect the income of French farmers, Carrefour and Système U renewed their agreements signed in 2021. The price of milk will be raised by 25 euros per 1,000 litres for 10,000 farms. The new terms have struck a balance with Sodiaal to help producers, in the current context of inflation, cope with higher prices on many items used in the production process. This factor will enable the cooperative to continue supporting farmers, while pursuing its investment strategy.

Mapping tier 2 suppliers in high-risk countries

The Global Sourcing entity began mapping tier 2 suppliers in 2022 to have visibility of the various stakeholders involved across the production and supply chain and then to better identify specific social issues, including fair compensation. Compensation is an identified social risk already covered by the audit criteria for the Group's tier 1 suppliers. For the clothing sector, this consists of identifying the suppliers of the suppliers involved in the following stages: cloth manufacture (spinning, knitting, dyeing), product assembly, etc.

Tracing supply lines and communicating transparently

As an example, in 2022, Carrefour worked with over 4,000 small cotton producers in the Madhya Pradesh and Maharashtra regions in India on a project aimed at combining quality organic cotton, decent pay for producers and traceability starting from the seed. Thanks to its partner, Cotton Connect, Carrefour ensures that its Indian organic cotton suppliers receive a higher rate than conventional cotton producers. The first 100% "sustainable cotton" collection is a direct result of this approach, comprising home textiles, undergarments, babywear and children's clothing under the TEX BIO brand. This collection has been sold in all of Carrefour's French and Spanish hypermarkets since spring-summer 2019.

SUPPLIERS' SOCIAL PERFORMANCE WITH RESPECT TO COMPENSATION

Carrefour has three levers in its supply chains to advance on the issue of decent wages: fair trade products, social audits and implementing additional services to supplement compensation.

Principles of social audits covering our suppliers with respect to their workers' compensation policy

In relation to decent wages, Carrefour's purchasing rules include audits in compliance with minimum wage, legal overtime pay requirements and freedom of association. Specific roadmaps covering these three themes were defined at the local level. The social performance of suppliers is regularly monitored and checked through social audits. Corrective action plans are systematically implemented and progress monitored over time. In addition to social audits, Carrefour develops local projects to meet specific needs of its suppliers. More than 80% of cases of non-compliance identified in plants in high-risk countries each year relate to the following three categories: "Compensation, benefits and conditions", "health and safety" or "working hours".

Social compliance of suppliers with respect to workers' pay

In 2022, 1,418 social audits covered the Group's potential production sites, 54% more than in 2021. This increase is due to the frequency of audits and the impact of the Covid-19 pandemic on audits in previous years. An alert is raised for any critical point of non-compliance identified during the audit. When alerts apply to accredited suppliers, immediate action is required, after which Carrefour only retains suppliers once they have been cleared by a pre-audit within a three-month period. The main occurrences of non-compliance discovered among Carrefour suppliers related to working hours, compensation levels and workers' health and safety. In 2022, 15% of audits conducted on potential production plants generated one or more alerts.

Supporting fair trade

In France, Carrefour was the first major retail banner to sell a fair trade product, the Malongo brand coffee back in 1998, produced by small farmers. Many Max Havelaar® certified products have since been added to store shelves through brands such as Alter Eco, Ethiquable, Lobodis, etc., with several international agreements signed twenty years later between Carrefour and Max Havelaar®.

In 2022, more than 137 million euros in fair trade products were sold in Carrefour stores worldwide (up 8% from 2021). Carrefour's own-brand organic range, launched in partnership with Max Havelaar® now has many product references in five product categories: bananas, coffee, chocolate, honey and tea. In 2022, 993 fair trade products were available in Carrefour stores worldwide.

4. Among franchisees

Charter for the protection of human rights for international franchisees

Carrefour is working to ensure that its international franchisees respect human rights by systematically attaching to their contracts a charter for the protection of human rights. The charter binds franchisees to provide workers with compensation

that meets their basic needs. Such compensation must at least correspond to the minimum wage set by the national legislation of the country concerned or, in the absence of regulations, it must facilitate decent living conditions for workers. By signing this charter, franchisees agree to ensure that all employees, suppliers, sub-licensees, subcontractors or sub-franchisees, as the case may be, comply with these commitments. Franchisees are also bound to introduce checks to ensure that commitments are met, such as visits to observe suppliers' practices relating to working conditions. Findings are compiled in dedicated reports to assess compliance with the charter. If necessary, corrective action plans are implemented and follow-up visits planned. Franchisees must also authorise the Carrefour group, or any person authorised under the Group's internal and external monitoring system, to carry out unannounced visits to check compliance with the charter's commitments.

2.1.5.4 Personal data protection

Context and definition

Personal data protection is a vital challenge for Carrefour. Compliance on this issue is an opportunity for the Group to strengthen the relationship of trust with Carrefour customers, employees and partners as part of a more comprehensive

approach to digitising the Company, in compliance with the regulations in effect. Non-compliance constitutes a potential threat to its image with consumers and a regulatory risk representing 2% to 4% of its sales (under the GDPR).

Policy and performance

Carrefour has deployed a plan to comply with the General Data Protection Regulation (GDPR). The plan applies to all of the Group's integrated countries and involves regular

communication between the different Data Protection Officers (DPO) to harmonise practices and comply with local legislation and specific local needs.

Indicators	2022	2021	Change
Number of countries/entities with a DPO ⁽¹⁾	8/8	8/8	-

(1) New indicator in 2020. Excl. AR because the nomination of a DPO is not required under local regulations.

Action plans

Carrefour has developed a continuous monitoring plan covering all the key issues relating to the GDPR to ensure proper compliance and, if necessary, take continuous remedial action.

The compliance programme covers:

- application of general data protection policy;
- consent management;
- creation and updating of data processing records;
- creation of a data rights management process for providing responses within legal deadlines;
- implementation of a training programme;
- data conservation policy;
- deployment of a network of data protection officers in accordance with the recommendations of the French Data Protection Authority (CNIL);
- a DPO in each country to deal with data protection issues and support the country business segments;
- a register of incidents and personal data breaches in accordance with the GDPR for tracking different incidents, qualifying them from a legal standpoint to self-assess the appropriateness of notifying the French Data Protection Authority and/or disclosing them to the persons concerned;
- reporting tools for integrated countries or BUs to report to Group level.

2.1.5.5 Fair practices

Context and definition

Corruption is a criminal offence subject to national laws, international conventions and laws with extraterritorial scope, such as the American Foreign Corrupt Practices Act (FCPA), the UK Bribery Act (UKBA) and the French Criminal Code. France's Sapin II law of December 9, 2016, which strengthened the country's anti-corruption system, requires large companies to adopt measures to prevent corruption. Corruption can take several forms in Carrefour's normal course of business. Bribery, gifts and favouritism can be linked to the purchasing and business development functions, as well as activities requiring official authorisations.

Carrefour complies with several rules and regulations for its business, including competition law and those relating to

trade and industry. Competition law encompasses all laws and regulations aimed at enforcing compliance with the principles of free and fair trade and industry. Competition policy helps to stimulate productivity, give consumers a wider choice, and improve the quality of goods and services at the most competitive prices. In EU countries, competition law is based on EU law. This harmonisation provides legal certainty within a single legal framework and basic rules applicable in each EU country.

Lastly, from a tax perspective, the Group's policy is one of transparency and the payment of appropriate taxation wherever it creates value.

Policy and performance

Carrefour contributes to the fight against corruption, money laundering and the financing of terrorism by eschewing all forms of corruption and enforcing the applicable laws. The Group promotes a culture of trust and integrity, which it shares with its stakeholders, enabling each of its employees and outside third parties to report any violation of the law anonymously.

Carrefour is committed to the rules of fair competition in its business relations with its different partners (franchisees, suppliers, service providers, etc.). It is very careful to maintain high-quality, transparent and loyal relations with its different

commercial partners and to negotiate balanced agreements that comply with applicable laws and regulations, especially competition law. The confidentiality of all information exchanged is also strictly respected and managed.

The Group ensures compliance with the applicable rules in all the countries where it operates, including those aimed at fighting tax evasion. No Carrefour entity is located in a country listed on the French or European Union lists of non-cooperative jurisdictions for tax purposes (e.g., the EU "blacklist" published by the Council of the European Union).

Indicators	2022	2021	Change
Amount paid by all Group entities in respect of their tax obligations	€975 million	€948 million	+2.85%
Social security contributions borne by the Group	€1,608 million	€1,613 million	-0.31%
% of at-risk employees trained on anti-corruption topics ⁽¹⁾	95.6%	98.6%	-3 pts

(1) New indicator in 2020. Scope: excl. e-learning data in France and excl. PO BE.

Action plans

1. Fighting corruption, money laundering and terrorism financing

GOVERNANCE, ETHICS AND COMPLIANCE

As part of its responsible business conduct policy, Carrefour ensures compliance with the rules applicable to the transactions it carries out in all the countries where it operates or conducts its business, mainly by developing an ethics and compliance network comprised of representatives in various roles and from different levels within the organisation. This network notably includes:

- a Group Ethics Committee, made up of the Group General Secretary, Group Human Resources Director, Group Legal Director and Group Ethics and Compliance Director. This committee met four times in 2022;
- an Ethics and Compliance department, which reports to the France and Group Legal departments, overseeing compliance for the Carrefour group and coordinating the ethics and compliance network across different countries;

- Ethics and Compliance Officers from each integrated country and BU, who are responsible for ensuring the compliance of their respective entities with industry and local regulations as well as any other special requirements, and for reporting any useful information to the Group about the local deployment of the programme. These members of the ethics and compliance network also lead the local ethics and compliance committees set up in each integrated country and BU, which comprise the CEO, the CFO, the Human Resources Director, the Legal Director and the Head of Ethics and Compliance of the country or BU concerned;
- all employees with key roles in compliance, so that Carrefour group can collectively comply with ethics and compliance regulations.

In addition, Compliance staff work closely with Security and Internal Control staff and with operations teams, to continuously improve reporting and management.

ETHICS AND COMPLIANCE PROGRAMME

The Group's governing bodies are fully committed to ethics and compliance and enforce a zero tolerance policy for any unethical behaviour and practices, such as corruption and influence peddling. In recent years, this commitment was demonstrated by Alexandre Bompard and Laurent Vallée speaking to all Group countries on International Anti-Corruption Day on December 9, 2021. To mark International Anti-Corruption Day in 2022, new videos were released in all countries featuring Group Executive Committee members, along with videos of each country Director addressing viewers in the local language.

To enforce its policy and respect all applicable laws, Carrefour has built its ethics and compliance programme around the following pillars:

- **corruption risk map:** the corruption risk mapping process for the Carrefour group was completely overhauled in 2020 and is updated regularly for each main business sector (retail, Property, Banking and Insurance) and in all of the Group's integrated countries. The scope of the risk map was also expanded in 2022 to cover new Group activities;
- **policies and procedures:** Carrefour has drafted an "Anti-bribery and Corruption Policy", providing practical illustrations of concepts. This policy establishes the frame of reference in which employees must all perform their duties on a daily basis, in all of Carrefour's subsidiaries and integrated countries. Other policies and procedures round out this overarching policy, giving employees practical tools to guide them in carrying out their operations and projects. These include the gifts and invitations policy, the Responsible Lobbying Charter, the Carrefour Foundation's rules and principles applicable to sponsorship campaigns and emergency aid operations. In addition, all employees involved in a purchasing or selection process are required to sign a declaration of independence each year, with the aim of informing Carrefour of any conflicts of interest in order to handle them better;
- **training and awareness actions:** a global training and awareness-raising plan was developed and deployed for the functions with the highest exposure (in-person or online meetings), along with an e-learning programme for functions with less exposure. At end-2022, 95.59% of the employees identified in 2022 as most exposed to risks of corruption have received training. The e-learning courses available for

employees with a lower risk of corruption were taken by more than 80,000 employees in 2022 (24% of the Group's total employees);

- **third-party assessment procedure:** the Group developed a global third-party assessment solution, which was deployed in 2022 for all activities in France. This solution is also being deployed in the Group's integrated countries. This due diligence is carried out for all third parties with which the Group intends to engage in business activities (suppliers, consultants, franchisees, acquisition targets, etc.). The extent of required verification is determined by the third party's risk profile and any specific risks identified during the assessment of that third party. In some cases, additional information may be requested from third parties, so that further due diligence can be conducted based on the information provided. Carrefour works with an external service provider specialised in third-party assessments to assist operational staff and compliance officers likely to assess third parties. Suppliers also receive the Ethical Standards for Suppliers Charter, which is appended to commercial contracts;

- **whistleblowing system:** an outsourced global whistleblowing system was set up in all countries in 2016, available 24/7 via the Internet (ethique.carrefour.com) or by telephone. This system provides all Group employees and external partners (mainly suppliers and customers) with a channel for reporting any suspicion of unethical practices, including discrimination, harassment, health, safety, theft, fraud, corruption, misappropriation of funds, conflicts of interest, and environmental damage. In 2022, 5,909 alerts were received by the Group, the majority of which concerned HR issues (excluding discrimination and harassment).

- **control procedures:** corruption risks are mitigated by a series of accounting control procedures. For example, Internal Control and Internal Audit staff conduct annual verifications and audits on the pillars of the Group's compliance programme in all countries. They then formulate recommendations and action plans to improve Carrefour's ethics and compliance programme.

2. Competition law

Carrefour has set up and deployed processes that comprise the following:

- specific training in competition law compliance is regularly provided by the Legal Affairs departments in each country, mainly for those employees who are most exposed.

In France:

- new hires in functions on the front lines have compulsory training that includes a specific module on Purchasing law. Some of the training is organised in the form of role-play;
- more specific and targeted training is provided when purchasing alliances are formed;
- each employee must adhere to a Code of Professional Conduct covering the principles of confidentiality and compliance with competition law *inter alia*;
- these principles are sent to the Group's commercial partners, in particular in the Carrefour Ethical Standards for Suppliers Charter, which they are asked to sign;

- contract templates drafted and circulated by the Legal departments of each country include clauses on compliance with applicable laws and regulations, including competition law. These contract templates are updated regularly to reflect changes in these rules and regulations. Each Legal department provides tailored and secure contractual solutions for the different operational departments;
- the Legal departments in each country monitor legal developments to anticipate any changes in the regulatory framework in which Carrefour conducts its business and to inform the departments concerned in order to mitigate their impacts.

3. Tax strategy

Carrefour applies a tax compliance and transparency policy, guaranteed by its well-trained expert tax team, aligned with the latest tax reforms. In its host countries, the Group cultivates long-term relationships of trust with tax authorities, providing them with the information they need within a reasonable time. It ensures the compliance of its operations with tax regulations, aiming to pay an appropriate amount of tax according to where value is created in the normal course of its commercial activity, without artificially transferring value to low-tax jurisdictions. The Group does not use opaque structures or entities in tax havens to conceal information useful to tax authorities. It applies the arm's length principle for transfer pricing, and does not use transfer pricing as a tax planning tool. As the Group's organisation is decentralised, its intra-group transactions are not significant,

representing less than 5% of total trade sales. The Group applies an intra-group flow policy in line with OECD principles and guarantees transparency, notably through Country-by-Country Reporting (CBCR).

The ethics hotline can be used by Carrefour employees, suppliers or service providers to report – in confidence – any situations or behaviour that do not comply with the Group's Principles of Ethics, including for tax matters.

Joint initiatives and partnerships

- Member of Transparency International (France) since 2009
- Participation in the work of the Companies in Society Commission of the French section of the International Chamber of Commerce (ICC France)

+ Find out more

- [Carrefour.com: Our Principles of Ethics](#)
- [Carrefour.com: Anti-corruption policy](#)

2.1.5.6 Guaranteeing ethical farming

Context and definition

Throughout the world every year, 70 billion animals are reared to feed humans with meat, milk or eggs. Without a fundamental change in our food patterns, global demand will increase by 25% between 2015 and 2030. The response to this growing demand is mainly provided by intensive livestock farming, which accounts for 70% of world livestock production.

In this context, respect for animals and their sensitivity is a growing concern among the general public. According to the United Nations Food and Agriculture Organisation (FAO),

animal welfare is a common good that forms an integral part of the livestock sector's sustainable development. It is linked to food safety and quality, human and animal health, and rural development. In several countries, and especially in Europe, new consumer habits are emerging, such as reducing the quantity of meat consumed, choosing to replace meat with plant proteins, or turning to products made using more sustainable and more animal-friendly farming methods. These changes are happening fast, and farming practices must be adapted accordingly.

Carrefour's policy and performance

For the past few years, Carrefour has been deploying a programme aimed at improving animal welfare in its supply chains. This programme is based on the "five fundamental freedoms" of animal welfare, adapted to different livestock farming methods: physiological freedom (absence of hunger, thirst or malnutrition), environmental freedom (adapted housing, absence of climatic or physical stress), health-related freedom (absence of pain, injury or disease), behavioural freedom (possibility to exhibit normal, species-specific behaviour) and psychological freedom (absence of fear or anxiety). Carrefour developed an animal welfare policy in 2019, based on ten priority areas that are shared within its relevant animal product lines:

1. combating antibiotic resistance and banning antibiotics and growth hormones;
2. banning cloning and genetically modified animals and researching genetic biodiversity;
3. switching to cage-free farming and keeping animal confinement to a minimum;
4. keeping stress during transport and slaughter to a minimum;
5. limiting controversial practices and systematically optimising pain management;
6. insisting on proper nutrition;
7. carrying out health monitoring;
8. banning animal testing (cosmetics, personal care and household products);
9. banning materials of animal origin not derived from livestock whose primary purpose is to produce food;
10. improving habitats.

In 2020, the eight integrated countries defined progress plans for these ten priority areas, broken down according to species and product category. Since 2021, Carrefour has measured its performance in achieving the eight targets using indicators common to all Group countries concerned:

- shell eggs: 100% of shell eggs sold for certified and national-brand products must be from cage-free production facilities by 2025 (or 2028 depending on the country);
- eggs as ingredients: 100% of eggs used as ingredients in Carrefour-branded products must be from cage-free production facilities by 2025;
- cage-free farming: the sale of products from other animals (rabbits and quails) raised in cages for Carrefour-branded products must be discontinued by 2025;
- chickens: 50% of Carrefour-branded chicken sales must guarantee compliance with improved animal welfare ⁽¹⁾ criteria by 2026 (Better Chicken Commitment criteria);
- pigs: 100% of organic and Carrefour Quality Lines pork products must guarantee compliance with improved animal welfare criteria by 2025;
- horses: 100% of horse meat sources must be independently audited or from EU producers by 2025;
- animal slaughter: 100% of slaughterhouses that deliver unprocessed products certified by Carrefour must be audited for compliance with animal welfare standards by 2025;
- transparency: each country must implement a system to inform consumers about farming methods used for Carrefour-branded products by 2025.

(1) The animal welfare guarantees are in line with the Better Chicken Commitment criteria.

Performance indicators	2022	2021	Change	Target
Shell eggs – Percentage of gross sales of controlled and national-brand products from cage-free production facilities	80.3%	80.1%	0.2 pts	100% by 2025 (2028 depending on the country)
Eggs as ingredients – Percentage of Carrefour-branded products containing cage-free eggs used as ingredients ⁽¹⁾	60.2%	51.2%	9 pts	100% by 2025
Cage-free farming – Percentage of gross sales of animals (rabbits and quails) in certified products raised cage-free	52.7%	New	-	100% by 2025
Chickens – Percentage of gross sales of certified products that guarantee compliance with animal welfare criteria	35.9%	36.4%	-0.5 pts	50% by 2026
Pigs – Percentage of gross sales of Carrefour organic and Carrefour Quality Lines pork products that guarantee compliance with improved animal welfare criteria ⁽²⁾	12.2%	New	-	100% by 2025
Horse meat – Percentage of gross sales of horse meat in independently audited, certified and national-brand products or from EU producers ⁽³⁾	68.7%	New	-	100% by 2025
Slaughter – Percentage of Carrefour supplier slaughterhouses audited for compliance with animal welfare standards ⁽⁴⁾	39.2%	46.8%	-7.6 pts	100% by 2025
Transparency – Percentage of species raised using transparent farming methods, for Carrefour-branded products	20.8%	New	-	100% by 2025
<p>(1) Scope: Belgium, Spain, France, Italy, Poland and Romania.</p> <p>(2) Scope: 31% of 2022 net sales.</p> <p>(3) Scope: 31% of 2022 net sales.</p> <p>(4) Scope: Non-comparable BUs. 100% of 2022 net sales vs. 92% of 2021 net sales, excluding BE.</p> <p>The performance of our animal welfare policy is measured using the <u>Business Benchmark on Farm Animal Welfare</u> (BBFAW). In 2020, Carrefour ranked in tier 3 on the benchmark, whose tiers run from 1 (best) to 6 (worst).</p>				
Indicator	2022	2021	Change	
Business Benchmark on Farm Animal Welfare (BBFAW) ranking	(1)	3	-	

Action plans

1. Combating antibiotic resistance

For 30 years, the Group has been working with its suppliers to create lines of products made from “animals reared without antibiotics” in all of its nine integrated countries. The Group encourages responsible use of therapeutic antibiotics throughout its supply chains to limit antibiotic resistance. It therefore bans growth hormones and antibiotics which diminish animals’ physiological capacity and contribute to antibiotic resistance. It systematises prevention (rural animals, limiting density, etc.), vaccines and self-vaccines and sets up “antibiotic-free” production lines. Carrefour is supporting its commercial partners in all integrated countries by implementing pilot projects in order to sell an increasingly complete range of products made from

“animals reared without antibiotics” by 2025. In France, for example, by the end of 2022, Carrefour had more than 185 products labelled “raised without antibiotics” for all or part of the rearing period. These products include chicken (free range and indoor), guinea fowl, pork, veal, laying hens, quail, salmon and shrimp. In Brazil and Poland, Carrefour already sells Carrefour Quality Lines chicken raised without antibiotic treatment.

2. Banning cloning and genetically modified animals

Carrefour supports current regulation which in effect excludes genetically modified clones and animals from its supply chain. The Group pays careful attention to the choice of breeds and strains in terms of growth rate, resistance and origin.

3. Switching to cage-free farming and keeping animal confinement to a minimum

In liaison with its suppliers, Carrefour has launched a global transformation project to ensure that all of its Carrefour-branded eggs are sourced from alternative cage-free farms. The project is already in progress in Italy, Belgium and France. It will take effect in Brazil, Argentina, Taiwan, Poland, Spain and Romania in 2025. The commitment will then be extended to all eggs sold in Carrefour stores – all own brands and national brands, and to processed products from G6 countries. Carrefour France has also committed to phasing out the purchase of quail eggs from farms that use cage-rearing methods for its Carrefour brand by the end of 2021.

4. Keeping stress during transport and slaughter to a minimum

Carrefour's animal welfare policy stipulates that animals must be slaughtered after minimal transport time and in satisfactory conditions (e.g., density, temperature, transfer methods). In the specifications of the Carrefour Quality Lines and in the AEBEA poultry specifications (for 90% of Carrefour brand chickens), transport time is limited and controlled. The best available techniques and technologies should be implemented to limit stress and avoid pain during transport and slaughter. Stunning and checks before slaughter guarantee a painless death and must be applied to the majority of sources for our own-brand products. Audits and video surveillance are to be implemented at the Group's partner slaughterhouses as two priorities for the coming years.

5. Limiting controversial practices and optimising pain management

Carrefour agrees, with its partners, to systematically seek an acceptable technically and economically viable alternative to mutilation practices, in particular: castration, dehorning, tail docking and debeaking. If these practices are maintained, pain management must be comprehensive (anaesthesia or analgesia). For pig farming, Carrefour encourages its suppliers to test alternatives to surgical castration, such as raising uncastrated males and performing immunocastration.

6. Requesting proper nutrition

Animals should have access to fresh, clean water. They should be provided with plenty of healthy food, adapted to their species, age and nutritional needs. Their diet must aim to keep them healthy and vigorous. These issues are included in the minimum requirements for products sold under the Carrefour Quality Lines brand, and are therefore audited in all Group countries.

7. Requiring health monitoring

Farms must undergo regular veterinary health monitoring or inspections. Any animal that appears sick or injured must be treated immediately in line with regulations on drug use. Animals must be euthanised following strict protocols to alleviate

irreversible suffering. Euthanising healthy animals is prohibited. These requirements will gradually be included in the specifications of Carrefour Quality Lines products and will be audited in all Group countries.

8. Banning animal testing

In Europe, as required by regulations, Carrefour does not accept any finished cosmetic product that has been tested on animals. The Group hopes to extend this practice to all its integrated countries for cosmetic, personal care and household products.

9. Banning materials of animal origin not derived from livestock

Carrefour only buys products with leather, down, feathers and wool that are a co-product of the food industry for all Carrefour-branded products sold in Group countries.

Carrefour-branded textiles do not use animal fur or wool from Angora rabbits.

The Group also bans feathers and down taken from live animals, and the cashmere in TEX products is sourced from a traceable quality chain that guarantees animal welfare.

Also, Carrefour does not sell zebra, kangaroo or crocodile meat, all brands combined (Carrefour brands or national brands) in any of the Group's integrated countries.

10. Improving animal habitats

Carrefour encourages its lines to develop habitats that allow for outdoor access or the open air. The Group also encourages its partners to install features enabling animals to express their natural behaviours in enhanced habitats (such as natural light sources, roosting perches for chickens, manipulable materials for pigs, outdoor access yards or winter gardens, chew objects for rabbits, etc.).

In collaboration with World Animal Protection, Carrefour Brazil has set up a differentiated production chain that is more respectful of animals for three-quarters of the pork sold in its stores. Consequently, by December 2022, all sows had been transferred into Group housing during gestation, limiting their confinement in crates to 28 days, and ear tags used to identify pigs will be banned. Immunocastration will replace surgical castration by December 2025.

In early 2020, Carrefour announced that it had joined AEBEA (*Association Étiquette Bien-Être Animal*) to provide consumers with clear, systematic information on animal welfare and farming methods for all its fresh chicken products under its brands. As a result, all chickens sold under Carrefour brands are being raised in environments that are gradually becoming more comfortable, equipped with perches, anti-pecking devices, natural light and reduced density. This transformation has enabled ten million chickens per year to enjoy living conditions that guarantee a substantial improvement in animal welfare.

Joint initiatives and partnerships

- *Oeuvre d'Assistance aux Bêtes d'Abattoirs* (OABA)
- *Laboratoire d'Innovation Territorial Ouest Territoires d'Élevage* (LIT Ouesterel)
- *Association Étiquette Bien-Être Animal* (AEBEA)
- Welfarm
- Compassion in World Farming (CIWF)

+ Find out more

- [Carrefour.com: Ensuring animal welfare/CSR](#) (see the Business ethics and supply chains section)

2.1.5.7 Case studies in 2022

Support for local and national producers

The Group continues to support its local suppliers and partners in implementing the food transition for all. In 2022, the Group reasserted its commitment by signing more than 4,038 contracts with local or regional SMEs (representing 3,264 suppliers). Carrefour chose to extend multi-year agreements, which represented 50% of regional agreements in France by 2022. In Belgium, Carrefour organised walking tours to enable the Group's customers to meet local producers in their region. Carrefour Belgium now works with more than 800 local producers and offers more than 12,000 local products at all Carrefour stores in Belgium. To ensure long-term collaboration with its producers, Carrefour Belgium has established a Local Producers' Charter, which guarantees a direct link between the producer and the store and stipulates a non-negotiable price set by the producer. In Brazil, regional products are recognised for their social and environmental benefits. The production of typical items from Brazilian biomes that are sold by Carrefour Brazil, such as the baru nut, contributes to the development of communities and helps protect the country's ecosystems. The Carrado plant supplies Carrefour with a number of products collected by extractivist farm communities in the Cerrado and Caatinga regions in line with agroecological production methods and solidarity economy principles. In 2022, Carrefour Brazil joined the Local Brands Manifesto and, in doing so, restated its commitment to promote regional and local products.

Supporting small farmers of organic, fair trade bananas

Bananas are an essential source of employment and income for 4 million families in southern producer countries and are the biggest selling item on Carrefour's fruit and vegetable stands (140,000 tonnes sold each year in France, Spain, Belgium, Italy, Romania and Poland). However, the smallest farmers are not always guaranteed a fair price, and banana production has a high environmental footprint. To meet these challenges, Carrefour has been offering organic and fair trade bananas in its shops since 2014. In 2021, Carrefour contributed 300,000 euros to an innovative one-million-euro project developed by the Fairtrade/Max Havelaar movement and funded by the French Development Agency (AFD), to support environmentally-friendly practices and promote gender equality across the organic, fair trade banana sector. The three-year initiative will benefit 10,000 people working in 11 cooperatives in Peru and the Dominican Republic. The project's priorities are to sustainably improve revenue, empower women and young people and implement measures to increase resilience to climate change. Practical initiatives include building micro-factories to produce organic inputs, setting up diversification field schools, training women and young people through teaching modules, and bringing together producers and cooperatives in both countries to discuss their experience.

In addition to this fair trade supply line, in 2020, the Group created a new source of Caribbean Carrefour Quality Lines bananas, in partnership with UGPBAN (Union of banana producers of Guadeloupe and Martinique) and Cirad (a French agricultural research body focused on international cooperation). The aim is to enable the production of agro-ecological bananas in the French West Indies without insecticides and, by 2022, without herbicides. Carrefour will apply blockchain technology to this line to promote it among consumers.

Traceability in organic cotton production in India

By 2030, Carrefour aims to ensure that all natural raw materials used in its TEX products are sustainable and traceable. Since 2019, Carrefour has been working with over 4,500 small cotton producers in the Madhya Pradesh region in central India on a project to combine quality organic cotton, decent pay for producers and traceability starting from the seed. The Carrefour Foundation has helped build two organic pesticide production units that enable 2,000 local producers to obtain better yields and boost their income. This has made it possible to drill 100 wells to provide regular irrigation to cotton fields. A total of 1,000 farmers in 18 villages also received training in organic farming techniques. Thanks to its partner, Cotton Connect, Carrefour ensures that its Indian organic cotton suppliers receive a higher rate than conventional cotton producers. The first 100% "sustainable cotton" collection, comprising household linen, undergarments, babyware and children's clothing, is a direct result of this approach. These products have been on sale under the TEX BIO brand in all of Carrefour's French and Spanish hypermarkets since spring-summer 2019. All phases – from seed to finished product – are tracked and recorded to ensure complete traceability of all TEX BIO products. Blockchain technology introduced for textiles in 2020 now makes it possible to include a QR code on the label that will enable customers to track the cotton from the field to the store shelf. In 2021, Carrefour promised that 50% of cotton TEX products will be organic by 2025.

Control of animal protection in slaughterhouses

In France, audits are carried out every three years by qualified independent auditors for all animal species, to ensure adequate transport conditions for animals and their protection in slaughterhouses. Carrefour relies either on a methodology co-constructed with OABA (*Oeuvre d'Assistance aux Bêtes d'Abattoirs*), a French body specialising in the protection of farm animals intended for human consumption, or equivalent approaches with AEBEA (*Association Étiquette Bien-Être Animal*) for chickens and with INTERBEV (French National Interprofessional Livestock and Meat Association) for cattle. Carrefour has asked all slaughterhouses to introduce a video surveillance system at sensitive stages. In 2022, Carrefour worked with 110 partner slaughterhouses, of which 59 are equipped with a video surveillance system.

At Group level, each country prepared a progress plan in 2020 with the aim of having animal protection audit processes for CQL slaughterhouses and Carrefour-branded products up and running by 2022 and 2025, respectively. The assessment methodology will be based on that applied in France, adjusted if necessary with local animal protection NGOs.

Carrefour takes action to promote a fairer deal for its partner producers

In 2022, Carrefour continued its action to support French producers and offer its customers quality products grown and manufactured in France, by creating a new Carrefour Quality Line for UHT cream. This move follows on from the partnership initiated in January 2021 with the Saint-Denis-de-l'Hôtel Dairy (LSDH) and the *Association des Producteurs Laitiers du Bassin Centre* collective (APLBC) to develop the Carrefour Quality Line for UHT milk. The initiative is based on a three-way agreement between Carrefour, LSDH and APLBC. This partnership allows the

326 producers covered by the agreement greater visibility and a more stable outlook, through guarantees on volume over a three-year period and fairer deal thanks to fair milk prices certified by Bureau Veritas. Initially set at 390 euros for 1,000 litres in 2021, the price was raised to 430 euros per 1,000 litres in 2022 for CQL milk and UHT cream. A pioneering approach to supporting farmers in their transition to virtuous farming methods, the Carrefour Quality Lines programme has been working for 30 years to create better conditions for all, while meeting strict standards of traceability, quality and taste. Carrefour and Système U, through the Envergure joint purchasing centre, took action alongside all the entities making up the Sodiaal Cooperative (Yoplait, Candia and Entremont) to increase the price of milk paid to producers in 2022. These agreements set the price of milk at 400 euros per 1,000 litres in 2022 for the three entities of the Sodiaal Cooperative. They aim to continue the efforts over the past three years to provide a fairer deal for French farmers.

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2.1.6 EMPLOYEES

2.1.6.1 Overview of objectives

Context A Group with a multi-local, neighbourhood presence, Carrefour employs 334,640 people worldwide, 55.2% of whom are women. It is the skills of all its employees that allow Carrefour to offer quality services, products and food for everyone through all distribution channels – not only in the Group's eight integrated countries, but also in the 40 countries that are home to international franchises.

With the labour-intensive nature of the retail sector, Carrefour faces major challenges in recruiting, retaining and engaging its employees. To attract talent, recruit in the best possible conditions, retain employees despite the demands of the job and encourage everyone to give their best every day, Carrefour fosters a unique, attractive and engaging promise to its employees. The Group capitalises on an established equal opportunity culture that is built on two levels: diversity from the get go and a career advancement strategy that offers unique opportunities for promotion to the most deserving employees.

Carrefour provides employment in more than 300 job families, many of which are open to everyone, with or without a diploma, and are geared towards workers in our host regions regardless of their age, origin or social and professional background. This openness to all candidates fosters the diversity of our teams. Welcoming all kinds of talent enables us to work more effectively on a day-to-day basis – because we take into account the aspects of each individual that can help us to achieve our *raison d'être* – while also upholding social justice.

In addition, through its training capabilities and a well-established practice of merit-based internal promotion, Carrefour offers development and career opportunities to its most committed employees and gives everyone the chance to reach their full potential. Mechanisms are in place to support this culture of developing all forms of talent and promoting employees internally while ensuring that career advancement opportunities can be offered across the Board.

Risks and opportunities

Employee-related risks are included in Carrefour's risk management process (see Section 4.1). The risks analysed annually relate to employee skills, talent retention and diversity and inclusion, more specifically:

- **failure to assess, develop and value skills:** poor deployment of skills assessment, development and recognition policy by managers and human resources is likely to demotivate employees and result in lower productivity and increased turnover;
- **failure to attract and retain talent:** the Group could encounter difficulties in attracting, hiring or retaining talent for key positions. This risk may arise in particular due to departures from critical positions such as Directors and Senior Directors;
- **failure to comply with principles of diversity, discrimination and harassment:** Carrefour may encounter difficulties in deploying its anti-discrimination policy, particularly with regard to gender diversity and equal pay or the employment of people with disabilities;

■ **occupational health and safety risks:** as one of the largest private-sector employers in France and one of the top 50 employers in the world, Carrefour has a duty to safeguard its employees against workplace accidents, psychosocial risks and occupational illnesses;

■ **failure to respect employees' freedom of association and right to social dialogue:** insufficient social dialogue may demotivate employees. These events are likely to result in loss of productivity and/or revenue.

In addition, Carrefour updated its materiality analysis in 2021⁽¹⁾ (see Section 1.3.1.4). One employee-related issue was identified as a major issue for stakeholders in light of the Group's food transition strategy (i.e., ranked in the top 10), while three others were identified as important issues (i.e., ranked in the top 20):

- employee well-being, satisfaction and motivation (ranked 4th);
- attracting and retaining talent (ranked 12th);
- diversity and inclusion in the workplace (ranked 15th);
- training employees and developing their skills (ranked 20th).

(1) Updated every two years.

Our initiatives

Employees play a key role in helping us achieve our objectives. They allow Carrefour to offer quality services, products and food for everyone on a daily basis, through all distribution channels – in the Group's nine integrated countries.

Carrefour supports this ambitious goal, in particular, by:

- **raising employee awareness and getting their buy-in:**
Carrefour attaches great importance to upskilling teams;
- **reflecting the social diversity of its host communities:**
Carrefour was very quick to commit to promoting diversity

through the signature in 2004 of a Diversity Charter aimed at giving everyone, in all countries, the same career development and recruitment opportunities;

- **protecting employees' health:** since 2020, all of the Group's host countries have an action plan on health, safety and quality of life at work. Local teams are responsible for setting the objectives, particularly in relation to workplace accident frequency and severity, and for structuring the action plan.

Coalitions and partnerships

National Committee for UN Women, France

European Week for the Employment of People with Disabilities with AGEFIPH (LADAPT)

French Handisport Federation (FFH)

Arborus, creator of the Gender Equality European & International Standard (GEEIS)

International Labour Organization (ILO)

Quality of Life at Work Observatory

French non-profit L'Autre Cercle

CEASE

UNI Global Union

Parenting Charter

French National Federation for Solidarity with Women (*Fédération Nationale Solidarité Femmes*)

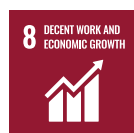
1in3Women

International Labour Office (charter)

French Association for Diversity Management Professionals (AFMD)

LEAD Network

Contributions to the Sustainable Development Goals



Our objectives

TOPIC	OBJECTIVE	DEADLINE
Gender equality	35% women executives (top 200) by 2025	2025
Disability	Employees with a disability to represent 4% of the total workforce by 2025	2025
	15,000 employees with a disability in the Group by 2026	2026
Training	At least 50% of employees have access to training every year	Annual
Employer recommendation	Minimum employer recommendation score of 75/100 awarded annually to Carrefour by its employees	Annual

2.1.6.2 Employment at Carrefour and managerial transformation

Context and definition

Across its various store formats, Carrefour employs 334,640 people in over 300 job families in its eight integrated countries and the more than 30 countries that are home to international franchises. The Group operates in two key markets: Europe and Latin America. Since the launch of the "Carrefour 2022" plan in 2018, Carrefour has been pursuing its goal of becoming the leader of the food transition for all and making healthy, fresh, organic and local foods available to everyone – a goal enshrined in the Group's *raison d'être* since 2019. By adopting the Digital Retail Company business model, we have made digital technology and data central to our operations and our value creation model, turning our *raison d'être* into the veritable backbone of the Group's operational model. To rise to these changes, the Group rolled out its international Act for Change programme in 2019. Its aim was to align managerial behaviour with these objectives and to give employees a central role in the Group's transformation. The programme is based on four key commitments: "Growing and moving forward together", "Serving the customer with passion", "Acting with simplicity" and "Taking pride in transforming our profession". The skills associated with these

challenges underpin the management model in place across the entire Group. In addition to this management model, a leadership model known as the 4Cs spells out Carrefour's expectations of its senior managers:

- **Courage:** spur excellence through bold, targeted and forward-looking initiatives;
- **Change:** facilitate change and transformation through listening, openness and flexibility;
- **Customers:** cultivate a passion for customers and increase our impact on society;
- **Cooperation:** grow and nurture cross-sector collaboration, commitment and team spirit.

Social dialogue, a key component of the Carrefour corporate culture, is also being used to pick up the pace on the transformation of Carrefour's business families, and contributes to the Group's performance, ensuring a positive social environment in all its stores.

Carrefour's policy

Employees are central to the Group's transformation. The "Be proud to change our business" pillar of the Act for Change programme reflects three objectives, which are closely linked to managers' skills – open up to the outside world, bring Carrefour's strategy to life within teams, and stimulate innovation and experimentation. To that end, one of the Group's aims is to create Super Heroes – **ambassadors for the food transition** and diversity and inclusion issues – among its employees. These will be people capable of inspiring their teams to embrace the challenge of inclusiveness for all in the company and raising awareness among customers of what is at stake in the food transition.

Since 2018, the Group has also sought tirelessly to simplify its organisation in a bid to use energy-pooling or digitalisation opportunities arising from Digital Day initiatives or stemming from the Carrefour 2026 plan to achieve even greater efficiency. These changes are supported by giving priority to negotiation, mobility, internal redeployment and training. Carrefour aims to maintain robust, constructive and regular social dialogue at national, European and international level, covering all labour-related topics and any other issues specific to the local context.

1. Employment at Carrefour

CHANGES IN HEADCOUNT

Carrefour's global workforce increased from 319,565 in 2021 to 334,640 in 2022.

This reflects both the vitality of Carrefour's operations worldwide and changes to the scope of consolidation. In 2022, Carrefour notably integrated the Grupo BIG workforce in Brazil. The impact was partly offset by the transfer of stores to franchise and lease management arrangements and by the removal of Taiwan, which represented 12,174 employees at end-2021, from the scope of reporting due to the ongoing disposal of local operations.

BREAKDOWN BY STORE FORMAT

The employee breakdown by store format changed slightly during 2022. However, hypermarkets still represent the vast majority of the workforce, with over half of the total (68%) – or 227,768 employees – working in this well-established Carrefour format.

Format	2022	2021	Change
Total hypermarkets	68%	71%	-3 pts
Supermarkets	16%	15%	+1 pt
Total other formats and businesses	16%	14%	+2 pts

Scope: 100% of 2022 consolidated net sales.

Workforce by region

A pioneer in countries like Brazil, Carrefour has operations in both Europe and Latin America. It is one of the largest private

employers in several countries, including France, where the Group has its roots, but also Brazil, Argentina, Spain and Romania.

Region	2022	2021	Change	% change
Latin America	159,949	115,310	+44,639	+39%
Europe	174,319	191,707	(17,388)	-9%
Asia	372	12,548	(12,176)	-97%
REGIONS TOTAL	334,640	319,565	+15,075	+5%

Scope: 100% of 2022 consolidated net sales.

Type of employment contract

The majority of Carrefour's personnel works full time (78%), on permanent contracts (92%).

Contract	2022	2021	Change
Permanent contracts	92%	91.5%	+0.5 pts
Fixed-term contracts	7.6%	8.5%	-0.9 pts
% of part-time employees	22.0%	26.4%	-4.4 pts

Scope: 100% of 2022 consolidated net sales.

Type of new hires

Employees are hired on permanent and fixed-term contracts. The use of fixed-term contracts helps deal with increased workloads during busy seasons with high footfall.

Number of new hires	2022	2021	Change
Permanent contracts	87,725	68,358	+28%
Fixed-term contracts	74,910	75,425	-1%
TOTAL	162,635	143,783	+13%

Scope: 100% of 2022 consolidated net sales.

Departures

After a big drop in the number of permanent employees leaving Carrefour, amid a stagnant job market resulting from the health situation, things have gradually returned to normal. In 2022, the labour market's marked recovery and the growing

weight in the Group's workforce in Brazil, a country where the retail industry has structurally high staff turnover rates (54% of the average number of permanent employees in 2022), were behind a significant increase in the rate of departures of employees on permanent contracts (102,174 departures).

Breakdown of jobs by status

Category	2022	2021	Change
Executive Directors	0.04%	0.04%	-
Senior Directors	0.07%	0.07%	-
Directors	0.5%	0.5%	-
Managers	7.7%	10%	-2.2 pts
Employees	91.6%	89.4%	+2.2 pts
TOTAL	100.00%	100%	-

Scope: 100% of 2022 consolidated net sales.

2. Act for Change programme

To support the transformation of its corporate culture, in 2019 Carrefour introduced the Employee Net Promoter Score® (E-NPS), an indicator of employee commitment measured via

an online survey sent to a representative sample of 20,000 employees from across the Group's eight host countries. Organised around five questions, one of which is an overall recommendation, the survey assesses the effectiveness of the programme's implementation.

The fifth wave took place between February 28 and March 18, 2022. With 77% of responding employees saying that they feel they have a role to play in the transformation – up from 71% in

2019 in the first survey – the results demonstrate the involvement of employees in the strategic projects being rolled out within the Group.

"I feel part of the ongoing transformation taking place within the Carrefour group"

Response rate	64%
Number of respondents	16,615
Score achieved by the Group in 2022 (% of employees agreeing)	77%
Don't know	4%
Don't agree	18%

3. A culture of social dialogue

Social dialogue has led to the signing of collective agreements at either host country or entity level.

Performance indicators	2022	2021	Change
% of employees covered by a collective bargaining agreement	99%	91%	+8 pts
Number of agreements signed	369	453	-18.5%

Our action plans

Act for Change programme

The Act for Change programme covers the managerial and cultural aspects of the "Carrefour 2022" transformation plan. Action plans have been developed for the programme's four pillars, resulting in training opportunities, communication initiatives and annual objectives for employees. Managers, both at stores and warehouses, are responsible for ensuring that the programme is effectively implemented across all the Group's operational sites.

"Growing and moving forward together". The first pillar of the programme is about developing talent, fostering diversity and encouraging cooperation among the Group's various departments and store formats. The internal promotion and management training programmes in each country and the Carrefour University programmes have all been updated and restructured with this commitment in mind.

"Serving the customer with passion". To support the second pillar of the Act for Change programme, in 2022, Carrefour continued its roll-out, in all Group host countries, of the 5/5/5 customer method, a simple solution for improving customer satisfaction that has been implemented in Taiwan, Argentina and Spain since 2018. The 5/5/5 method is based on three principles – trust, service and experience – and is broken down into 15 concrete commitments that make customers central to stores' concerns again.

"Acting with simplicity". The third pillar corresponds to three objectives: using resources appropriately and efficiently; acting quickly and simply; and empowering yourself and others. Carrefour is particularly committed to organising a variety of initiatives to improve quality of life in the workplace, establishing constructive and regular social dialogue, and implementing a shared workplace health policy across all countries.

The **"Taking pride in transforming our profession"** pillar aims to bring the Group's strategy to life within teams, stimulate innovation and experimentation, and open Carrefour employees

up to the outside world. Carrefour puts a particular focus on the development of the skills of its managers, for whom innovative programmes are now in place.

Employees' key role in the transformation process

Carrefour teams, in all of the Group's host countries, work hard every day to support the food transition. For example, the Purchasing teams support partner farmers in their conversion to organic farming; the digital teams develop blockchain technology to ensure the traceability of products from Carrefour Quality Lines; and the store-based teams advise customers, promote local and organic ranges, and ensure the quality of products prepared directly on site. Carrefour has a proactive training policy, which is designed to enable employees to develop in a stimulating environment and pursue diverse career paths. It has also set an objective of training all employees in the key issues related to the food transition.

Driving transformation

INVOLVING AND INSPIRING EMPLOYEES

Food transition "Super Heroes"

Carrefour is mobilising its employees around the challenges stemming from its "Carrefour 2026" transformation plan. In 2018, the Group launched the "Food Transition Super Heroes" programme on an international scale. It has been rolled out in all the Group's host countries to identify "local Super Heroes" among committed store employees, who champion the food transition among colleagues and customers. The programme's aim is to promote local initiatives in the field, in close proximity to customers, and to spread them widely in each of the Group's host countries. In 2023, the programme was extended to cover our commitments as a more inclusive company. Carrefour wishes to give greater visibility to measures taken to foster initiatives aimed at making the company more inclusive for our customers and employees alike. The Super Heroes programme allows teams to bring the food transition into their stores and make it more meaningful for customers. The example set by Super Heroes in the different countries can be an inspiration to everyone.

All over the world, the Super Heroes are devising and deploying their projects in support of the food transition at the local level. The solutions are highly diverse: promoting healthy products, events focusing on healthier eating and cooking, initiatives to reduce and combat waste, the learning of sign language and the implementation of quiet hours in stores.

Internal and stakeholder panels

Several times a year, Carrefour arranges meetings in order to issue functional recommendations on a specific CSR issue. These meetings are attended by around 50 people representing the Group, NGOs, governments, customers, investors and suppliers, who come together to share their expertise or point of view. Several of the Group's host countries also conduct in-store communication or engagement campaigns on a range of CSR topics, such as energy efficiency, sustainable fishing, biodiversity, organic products, socially responsible recycling and waste.

Training employees in line with the Group's transformation

Carrefour is committed to providing managers with the skills necessary to become ambassadors of the Group's transformation. **Carrefour University's** role in this regard is to create an open, disruptive learning ecosystem that encourages experimentation, networking and knowledge sharing, thereby giving members of Carrefour's top management the opportunity to develop both individually and as a team. In France, through the "Manage for Change" and "Manage for Lead" programmes, for example, managers learn to guide their teams' performance in accordance with Carrefour's strategic priorities.

Digital innovation is also a core focus of the Group's operating model. Carrefour's ambition is to be a world leader in digital retail by 2026, with a strategy based on a "data-centric, digital first" approach stemming from the Group's profound transformation dating back to 2018. All countries where Carrefour operates are developing programmes and tools to help employees better understand digital environment and culture. To give each employee the keys to become a stakeholder in this corporate project, the Group's employees will all be trained in digital technology by 2024, or 100,000 people each year between 2022 and 2024. A Digital Retail Academy has been created to help achieve this goal. In each of the Group's host countries, it has helped collate and enrich existing training courses, offering new modules devoted to data, digital commerce, technology, and innovative methods and approaches. The target was met easily in 2022, when more than 160,000 employees received digital technology training across the Group's various geographies.

Since 2018, the Group's **Leaders School**, an internal training school for high-potential employees, has given structure to its commitment – upheld since its founding – to be a driving force for social mobility. Launched in Argentina and Spain, the system is gradually being rolled out across the Group: after the two founding countries, France, Poland, Italy, Belgium (under the name "Carrefour Académie") and Romania now all have Leaders Schools. This multi-format programme is open to anyone wishing to take part, from non-management employees to Executive Directors, whether they work in hypermarkets and supermarkets or in the Group's head offices. At the end of their curriculum, often conducted in partnership with a higher education institution (Paris Dauphine University in France), trainees have access to jobs with greater responsibility. The scheme is set to take on even greater importance in the years to come. A first edition is due to be launched in Brazil in 2023. To

help this powerful internal driver of career development to thrive, the Carrefour 2026 strategic plan commits the company to graduating 5,000 new employees by 2026.

To support the roll-out of Act for Food, Carrefour is devoting significant resources to training its employees in fresh produce and the food transition. Employees are notably taught the fundamentals of the food transition so they can embody Carrefour's *raison d'être* in their interactions with customers. In Italy and Argentina, for example, "trade schools" support employees from Traditional Fresh Products departments in their efforts to continuously improve service quality through certification training, sharing of best practices, experimentation and the testing of innovative projects.

A culture of social dialogue

INTERNATIONAL SOCIAL DIALOGUE

Carrefour and international union federation UNI Global Union renewed their global framework agreement in October 2021. The agreement aims to promote and encourage:

- ongoing and constructive social dialogue and Carrefour's recognition of the importance of the role of trade unions and staff representatives in raising or guaranteeing high standards for the Group's employees;
- diversity and equal opportunity in the workplace via joint initiatives, mainly relating to gender balance, discrimination and violence against women;
- defence of and respect for the basic human rights of workers – freedom of association and collective bargaining – along with their safety and working conditions at Carrefour and at supplier and franchise sites.

Thanks to its participation in the Global Deal with the French Ministry of Labour, Employment and Economic Inclusion since 2017, Carrefour has been identified as one of France's most active companies in terms of international agreements, helping to protect the fundamental rights of employees around the world.

EUROPEAN SOCIAL DIALOGUE

In 1996, Carrefour created its European Works Council, the European Consultation and Information Committee (ECIC), by way of an agreement signed with the FIET (part of the UNI). This agreement was renewed and added to in 2011 with the international union federation UNI Global Union. Thanks to the quality of its work and of the dialogue between management and employee representatives, the ECIC is now one of the most recognised works councils in Europe. The main topics covered are the organisation of work, promoting diversity, professional training and employer health and safety policy, together with CSR and basic rights. A plenary meeting is held annually. An annual information and training seminar focuses on a specific theme selected by the members of its Steering Committee, which changes each year. Special committees also meet to discuss issues relating to corporate social responsibility, diversity and new technologies.

The frequency of ECIC meetings in 2021 and 2022 returned to normal compared with 2020, which was particularly affected by the health crisis. An Employment and Training Monitoring Group was created within the ECIC in 2021; it met six times in 2022.

Carrefour also plays an active role in sector-wide social dialogue meetings as part of European trade organisation Eurocommerce, alongside the trade union delegation from UNI Europa.

LOCAL SOCIAL DIALOGUE

In each Group country, social dialogue is governed by local collective bargaining agreements. These play a major part in the Group's economic performance but also in employees' working conditions and, more broadly, in quality of life in the workplace.

Carrefour is engaged in regular negotiations with employee representatives in all of the countries where it operates. These negotiations have resulted in numerous agreements that address various topics and cover a range of issues, including labour rights and the organisation of work. In 2022, Carrefour France signed two new Group collective bargaining agreements, one on health, prevention and quality of life and working conditions within Carrefour France, and the other addressing cost-of-living concerns.

In Brazil, more than 250 collective bargaining agreements have been signed for both Carrefour Brazil and Atacadão. In Spain, seven collective bargaining agreements were signed or amended in 2022, including an agreement on the right to digital disconnection policy.

RESPONSIBLE REORGANISATION

The Group has been adjusting its workforce since 2018, in particular through reductions at its head offices or the sale and franchising of certain stores in France, Poland and Italy. Workforce reductions were implemented as part of a robust social dialogue process, and came with a set of measures aimed at helping employees relocate or find another job within or outside the Group. These measures were notably put in place pursuant to agreements negotiated and signed with employee representatives. In France, two amendments were extended in 2022; one for the agreement on anticipating and supporting social transformation and creating the Jobs, Skills and Social Transformation Monitoring Group; the other for the agreement adapting GPEC tools to the challenges of transforming the Group's headquarters and support functions.

+ Find out more

[Carrefour.com: Employment at Carrefour and managerial transformation/CSR](#) (see the Employees section)

2.1.6.3 Attracting, supporting and developing talent

Context and definition

The world of work is changing in the wake of societal, technological and commercial developments, and the demands of the new generations joining the corporate world are evolving. Younger employees want to take advantage of new management and work methods. These upheavals represent key challenges for Carrefour, which has developed its approach to attracting, developing and retaining talent accordingly.

To strengthen its customer-centric culture, the Group is focusing its training and recruitment efforts on the skills required in the strategic areas of digital transformation, the food transition and management. Carrefour puts particular

emphasis on developing the skills of its managers, for whom innovative programmes are now in place. Special efforts are being made to intensify the development of digital skills for all employees, a central challenge in Carrefour's transformation into a Digital Retail Company.

The Group is also committed to promoting mobility within its teams in order to prepare as effectively as possible for the future of the retail sector, which is undergoing rapid and wide-reaching change. This objective is central to the "Growing and moving forward together" commitment, the first of the four pillars of the Act for Change programme.

Carrefour's policy

In line with the "Growing and moving forward together" commitment, Carrefour's policy is designed to:

- **attract talent** by strengthening its recruitment and development programmes, its promotion of work-study and work experience initiatives, and its partnerships with schools and universities;
- **retain talent** through a motivating career management and compensation system;

- **develop employees' skills** by making training a key priority, notably through new multi-format and multi-business development programmes, and by investing heavily to prepare its employees for the changes taking place in the retail industry. Since 2019, Carrefour's training policy has been structured around the four key topics that underpin in its *raison d'être* and strategy: the food transition, customer-oriented culture, people management and the digital transformation.

Carrefour's performance

1. Attracting talent

Employees are the ones who put the Group's strategy into action, so Carrefour has always taken great care to attract the right profiles for the right positions.

Performance indicators	2022	2021	Change
Number of new hires	162,635	143,783	+13%

2. Retaining talent

EMPLOYEE TURNOVER AND LENGTH OF SERVICE

Performance indicators	2022	2021	Change
Attrition rate among Senior Directors and Executive Directors ⁽¹⁾	4.5%	4.6%	-0.1 pts
Turnover ⁽²⁾	29.2%	22.9%	+6.3 pts
Voluntary turnover ⁽³⁾	22.2%	12.7%	+9.5 pts
Average seniority of employees	9	9	-

(1) Number of Director and Senior Director resignations as a percentage of the total population.

(2) Turnover of employees on permanent contracts, including new hires during the year, redundancies, resignations and completed trial periods, and calculated based on the workforce.

(3) Voluntary turnover of employees on permanent contracts including resignations.

INTERNAL MOBILITY AND PROMOTION

As a result of all the initiatives and programmes in place across the Group, 2,000 employees were promoted in 2022 (2,941 in 2021) and more than half the people appointed to a new management or executive position were promoted from within.

In total, 51% of new managers, 62% of new Directors, 37% of new Senior Directors and 20% of new Executive Directors were promoted internally in 2022.

Indicators	2022	2021	Change
Rate of internal promotion: total	51%	50%	+1 pt
Rate of internal promotion: manager	51%	49%	+2 pts
Rate of internal promotion: Director	62%	60%	+2 pts
Rate of internal promotion: Senior Director	37%	44%	-7 pts
Rate of internal promotion: Executive Director ⁽¹⁾	20%	44%	-24 pts

(1) New job category created in 2021 from among Senior Directors.

3. Developing employees' skills

A personalised career management process has been introduced for key talent to ensure that these employees continue to enhance their skills and pursue appropriate career paths. The Next Gen programmes offer those with high potential the key tools needed to accelerate their promotion to executive positions (C200). The Graduates programmes help to boost the careers of young graduates.

By 2025, Carrefour aims for at least 50% of its employees to receive a minimum of four hours of training each year,

regardless of their level or position in the company. This objective has been included in the Group's CSR and Food Transition Index since 2020. After a big effort in 2021 to catch up on training deferred due to the health crisis, 2022 saw training volumes remain at high levels – more than 11 hours of training per employee on average. A total of 73% of employees accordingly received four or more hours' training. The implementation of the Digital Retail Academy training plan resulted in more than 160,000 employees being trained in digital technology and the related challenges.

Indicators	2022	2021	Change
Percentage of employees trained during the year (at least 4 hours of training)	73%	81%	-8 pts
Average number of training hours per employee	11.3	13.3	-15%
Total number of training hours over the year (in millions)	3.5	4.2	-17%

11.3 training hours on average per employee and 264 euros spent on average per FTE on training and development (Scope: France. Including wages and ancillary costs).

Action plans

1. Attracting talent

1.1. KEY RECRUITMENT-RELATED OBJECTIVES

In line with its transformation and to keep up with developments in the retail industry, one of Carrefour's key objectives is to strengthen its skills base, especially in digital technology, areas associated with the food transition and specific professions, such as those relating to food. To achieve this objective, all of the Group's host countries are taking initiatives aimed at:

- **improving Carrefour's recruitment strategies** and modernising practices by **better identifying recruitment needs and issues**, diversifying distribution channels according to profiles, professions and locations, and widening the candidate pool. In France, for example, nearly 27,500 job offers were posted on the websites of institutional partners and associations in 2022, generating more than half a million applications. Recruitment teams have innovated with the launch of the first recruitment drive in the Metaverse to promote Carrefour's digital strategy and hiring goals;
- **strengthening the visibility of the Group's professions** through a strong employer brand and by regularly producing targeted content showcasing the expertise of its employees. The Group's host countries make active use of LinkedIn, Instagram, Facebook, Twitter and, since 2022, TikTok to promote the Group's professions and relay news about jobs at Carrefour. In 2022, for the second year running, Carrefour ranked in the top three in Universum's CSR index, which asks students and young graduates looking for work to rank the companies they perceive as most committed to CSR issues;
- **forging numerous partnerships with key schools**, such as business, engineering and IT schools. Carrefour pursued this strategy in 2022 with major target schools in France. Three new agreements were signed with prestigious engineering schools (Polytechnique, ENSAE and Centrale Supélec) to attract more applicants for E-Commerce and Data positions and in anticipation of the opening of a new Data Graduates programme planned for 2023;
- **stepping up work-study and work experience initiatives** in all countries to enhance the Group's visibility and facilitate recruitment in specialised areas where Carrefour lacks resources, such as food-related professions and IT and digital technology. In France, sponsored recruitment campaigns have been carried out to enhance the Group's attractiveness to younger generations, focusing on professions where more workers are needed or targeting particularly disadvantaged geographical areas;
- **the implementation of several specific measures to attract digital talent**, such as an exclusive partnership with Albert School, a new business and data school in France, where students put their minds to solving practical problems provided by Carrefour. To reinforce the Group's visibility, a film night was organised with Seekube. Digital talents had the chance to take part in a job-dating event with Carrefour data experts after the film's screening;
- **renewal of the Executive Management, Finance and Hypermarket Graduate Programmes** that for 11 years have served to attract and develop high-level profiles internally, based on a rigorous selection process targeting leading

business schools and a two-year programme that includes at least one year's experience in a country where the Group operates (other than France) for Management and Finance graduates. The primary objective is succession planning for key Executive Management and Finance positions at headquarters or for the Group's hypermarkets. The programmes were enhanced in 2021, notably via a revision of the training plan. In addition, new graduates will be sponsored by an Executive Committee member and will enjoy their first opportunity to acquire international experience at the end of the programme. Lastly, the new *Tremplin* (Springboard) programme, launched at the end of 2021, was extended this year. It dovetails with Carrefour's goal of promoting diversity among its teams and offers graduates a new way into the company. An innovative and inclusive approach, it enables a group of work-study students from disadvantaged areas to complete this specific training. They receive training (with a strong focus on the Carrefour leadership model), immersion sessions and mentoring from former graduates, with a view to allowing them to join a Graduates Programme later on.

1.2. KEY TALENT STRATEGIC PLANNING

In 2022, Carrefour maintained its strategy for identifying and tracking key talent, which includes Executive Directors, participants from Executive Management Graduates Programmes, and high-potential employees with skills that are essential to the Group. A study was carried out to establish an inventory of the skills available among key management staff and those missing. The map of key positions was updated in order to identify all management positions with a significant impact on strategy at Group, country and business unit level and to ensure that each of them exists in the Group's main host countries. The Group-wide HRIS system rolled out in 2022 enables accurate analyses of the gaps between available skills and those required as a result of market trends. All of these elements guide the Group's internal and external recruitment processes.

2. Retaining talent

2.1. CARREFOUR'S CAREER MANAGEMENT SYSTEM

Carrefour's career management system is based on the initiatives implemented by human resources teams, such as the systematisation of annual performance reviews, the possibility of internal mobility or promotion, and the training programmes made available to employees. Twelve management practices were defined in 2019 to enhance the annual performance review process and inspire specific development plans. These practices reflect the Group's strategic commitments in relation to the four pillars of its Act for Change programme. In addition to the traditional performance review process, career development meetings are also organised in all of the Group's host countries.

A specific career management system has been set up for key talent to ensure that the compensation packages, career prospects and mobility opportunities offered to these employees are in line with their aspirations. As a result, every Carrefour employee identified as a key talent receives personalised support, resulting in a customised career plan that includes both training needs and mobility opportunities within the Group.

2.2. INTERNAL PROMOTION AND MOBILITY, A CORE ASPECT OF THE CARREFOUR DEVELOPMENT MODEL

Carrefour is committed to developing internal promotion and professional development programmes.

Thanks to the Group's policy of enhancing versatility, employees can discover other professions by changing jobs or taking on new responsibilities. In addition, Carrefour's work-based learning programmes enable young employees to gain expertise in all areas of the Group's business. Priority is given to internal promotion, notably thanks to the Leaders School, an in-house training institute that has gradually been deployed in several countries and serves as a powerful springboard for social advancement.

Carrefour also provides professional experiences that allow employees to show initiative, enabling them to achieve personal fulfilment while also contributing to the Group's performance. Some countries have also launched non-professional skills development programmes to support employees in their internal mobility. In France, skills sponsorship opportunities are offered to employees to meet their desire for purpose and commitment while enhancing their skills.

2.3. LONG-TERM INCENTIVE SYSTEM

In 2019, Carrefour revived its long-term retention programmes for key contributors to the Group's transformation. The programmes are based on the allocation of free shares subject to presence and performance conditions, with the CSR and Food Transition Index accounting for 25% of the performance criteria. Initially restricted to the top two levels of management, the plans' scope was expanded in 2021 to include all key contributors to the Group's transformation. More than 800 talented employees benefited from the plan in 2022, a 16% increase from 700 in 2021. In addition, more than 80% of them were not senior managers.

2.4. LISTENING TO EMPLOYEES

In 2021, Carrefour deployed a permanent listening platform at Group level, in order to be able to more easily gather feedback from employees on internal issues and increase its responsiveness regarding the actions to be implemented. The platform was used for the second round of the internal "all managers" survey, providing insight into the priorities to be addressed by each team.

3. Developing employees' skills

3.1. MANAGEMENT TRAINING PLANS

In the digital age, the approach to creating value is changing radically and management needs to be agile in this respect. With this in mind, Carrefour has deployed innovative programmes to help its managers acquire the necessary skills.

Carrefour University has expanded its training offer – aligning it with the "Carrefour 2022" transformation plan – so that managers can better understand technological and societal changes and their impact on the retail industry and on the Group and more fully grasp Carrefour's strategy so they can integrate it effectively into their scope of action. Carrefour University provides a stimulating, international environment for sharing ideas and practices with leaders from all of the Group's host countries.

New programmes were introduced in 2022 to develop Carrefour's managers, including:

- **senior executive programmes for high-potential managers**, like the Next Gen programme, which is designed to help future Executive Directors develop strong leadership skills;
- **the multi-format management courses, Manage for Change and Manage for Lead**, which provide first-time and experienced managers with the skills necessary to oversee their teams' performance;
- **individual coaching and mentoring programmes**, available in the employee's own language.

3.2. TRAINING TO SUPPORT THE DIGITAL TRANSFORMATION

The Group's ambition is to be a world leader in digital retail with a strategy based on a "data-centric, digital first" approach. All countries where Carrefour operates are therefore developing programmes and tools to help employees better understand digital environment and culture. In 2019, the Group overhauled its learning management system to ensure a multi-format approach. The content of e-learning modules was completely reworked to align employee training with the Group's strategy, the digital transformation and the food transition for all.

By 2024, all Group employees will be able to receive dedicated digital training via the Digital Retail Academy, corresponding to around 100,000 employees trained per year. This target was easily met in 2022, with over 150,000 employees trained in digital technology across all Group entities.

To facilitate interaction and encourage innovation, Carrefour also gave all employees access to Workplace in 2022. Workplace is the communication and collaboration tool developed by Meta (formerly Facebook). It will be rolled out across all the Group's host countries in 2023.

3.3. TRAINING RELATING TO THE FOOD TRANSITION AND FRESH PRODUCTS

Fresh products and the food transition are key topics in the Group's training strategy. Specific training modules on fresh products has therefore been introduced in every country. In Brazil, dedicated training in handling fresh products is provided by experienced employees in each store. The Fresh Goods School – an in-house institute for training food service industry professionals – continued its growth in Argentina in 2022, with two editions to date. Carrefour Spain also has regional training dedicated to fresh products, plus meat cutting training for butchers, which was expanded and improved for greater efficiency in 2022.

Strong emphasis is also placed on strengthening skills that relate to the food transition. For example, training courses and webinars are held on organic food in Poland, while Spain boasts a Chair of Food and Nutrition, a programme established in collaboration with teachers from the University of San Pablo CEU. The next step is to conduct a survey on the nutri-economy commissioned by Spain's Ministry of Equity to determine how best to offer healthy food to customers living on the smallest budgets. In Italy, an academy set up with suppliers enables learners to find out more about products and production processes, specifically for Carrefour brand products and the organic range. In France, numerous e-learning modules are available, particularly on the Carrefour Quality Chain, hygiene and quality, and sustainable fishing.

3.4. TRAINING TO FOSTER A CUSTOMER-ORIENTED CULTURE

Carrefour's customer strategy is built on the three cornerstones of trust, service and convenience. It is supported by the rigorous monitoring of Key Performance Indicators (KPIs), including the Net Promoter Score® (NPS®), a tool for gauging customer satisfaction that was widely deployed across the Group in 2019. With customer satisfaction in mind, Carrefour has implemented action plans to enhance the flexibility of its in-store teams and reduce the out-of-stock rate. It has also introduced procedures for the detection, monitoring and rapid resolution of customer complaints. As part of this approach, Carrefour has set up a platform that allows all Group employees from integrated stores and head offices to consult their NPS® and the associated comments. The number of logins to the platform has increased six-fold in two years, a demonstration of Carrefour teams' commitment to customer satisfaction. In addition, the NPS® was incorporated into the variable compensation criteria for all Carrefour senior executives in 2019 and for all managers in France in 2020.

Listening to and better understanding customers are also the basis of other training programmes, including the 5/5/5 approach, adopted in all Group countries since 2020. Designed to meet customers' expectations on a practical level, it sets out 15 commitments to provide employees with a checklist to ensure customer satisfaction, and that can be consulted at any time.

In Argentina, a new "customer school" was opened in 2022 to train employees in customer service. It has already provided training to over 13,000 employees.

Joint initiatives and partnerships

- Partnership with the International Labour Organization (ILO)
- ILO Charter since 2015
- CEASE
- Orange Day with UN Women France, for the past six years
- International agreement between Carrefour and UNI Global Union signed in October 2018
- Diversity Charter
- OneInThreeWomen Charter

+ Find out more

- ILO Charter
- OneInThreeWomen Charter
- *Carrefour.com*: [Attracting, retaining and developing talent/CSR](#) (see the Employees section)

2.1.6.4 Encouraging diversity and inclusion and battling all forms of harassment and discrimination

Context and definition

Carrefour employs 334,640 people worldwide, of whom 184,817 or 55.2% are women and 3.7% are disabled.

Since its creation, Carrefour has been committed to reflecting and integrating the social diversity of the areas where it operates. The Group firmly believes that representing all its customers, in all their cultural diversity, represents a key competitive advantage improving customer service and consequently performance. Social and cultural diversity also help to retain employees, which is why diversity naturally forms part of the Group's human resources strategy. In keeping with the ambitions of the Carrefour 2026 strategic plan, a new Commitment department was created in 2022. It is positioned at the level of the Group's Executive Committee,

Carrefour's policy

"Promoting diversity" is one of the three objectives of "Growing and moving forward together", the first pillar of Carrefour's Act for Change programme. Carrefour was very quick to commit to promoting diversity: it signed the Diversity Charter in 2004, in which it pledges to give everyone, in all countries, the same opportunities in terms of career development and recruitment. It also makes sure that the composition of its Board of Directors reflects the Group's diversity.

Carrefour has been actively promoting gender equality in the workplace, both internally and within its ecosystem, for many years. Equal career opportunities for every employee, equal pay and equal access to management positions for women are all key Group commitments.

thereby demonstrating our determination to go even further on these challenges, with a division dedicated to Diversity and Inclusion. To make this ambition a practical reality, Carrefour has developed a Diversity, Equity and Inclusion policy for the entire Group. New guidelines will be implemented through an organisation based on effective governance, performance measurement and a listening strategy. Advisors have been specially appointed in each of our host countries to implement the policy there. This "Diversity Column" will meet every quarter through working groups to perform quantitative reporting, exchange best practices and monitor the Group's performance.

Committed to disability inclusion for over 20 years, Carrefour makes every effort to keep employees with disabilities in its workforce. It also has an ambitious disability training and awareness policy and is working to change the way people view disabilities.

Inclusion and battling all forms of harassment and discrimination are also key commitments. In all its host countries, Carrefour aims to promote equal opportunity for all and foster a culture of respect, acceptance and inclusion that is not only valued but also expressed through real-world initiatives.

Carrefour's performance

1. Gender equality

The Group's gender equality objectives are aimed at helping both its employees and the various players in its ecosystem. They are based on the following priorities:

- encourage an increase in the number of women on its governing bodies, notably by:
 - strengthening internal development programmes, and
 - adding a resolute new commitment to gender equality to the CSR and Food Transition Index;
- adopt a fair compensation policy and ensure its proper implementation;
- strive for a better work-life balance to ensure equal opportunities for men and women;
- promote gender equality within its organisation. To that end, the Group has adopted and maintains the GEEIS (Gender Equality European & International Standard) label for professional equality in all its host countries;
- leverage Carrefour's resources for women exposed to difficult situations, and above all to combat domestic violence.

Indicators	2022	2021	Change
% of women appointed to key positions	28.2%	28.5%	-0.3 pts
% of women on the Board of Directors	46%	46%	-
% of women on the Group Executive Committee ⁽¹⁾	28.6%	21%	+7.6 pts
% of women among Executive Directors ⁽²⁾	25.7%	24.7%	+1 pt
% of women among Senior Directors	20.2%	19.4%	+0.8 pts
% of women among Directors	25.3%	25.2%	+0.1 pts
% of women among managers	43.7%	43.7%	-
% of women among employees	56.4%	57.1%	-0.7 pts
GROUP TOTAL – % OF WOMEN IN THE WORKFORCE	55.2%	55.6%	-0.4 PTS
% of management positions held by women	42.3%	42.5%	-0.2 pts

(1) At December 31, 2022.

(2) New job category created from among Senior Directors. Indicator incorporated into the CSR and Food Transition Index.

While the workforce is moving towards a 50:50 split at Group level, with a slight decline in the proportion of women at Carrefour overall in 2022, the rate of women in management was virtually unchanged compared with 2021. There has also been a big increase in the proportion of women on the Group Executive Committee, as well as among Directors, Senior Directors and executives, despite the exit of Carrefour Taiwan, which had one of the best rates of women in the Group's management bodies.

2. Employees and customers with disabilities

As part of its policy in favour of equality and diversity, Carrefour has also set itself the goal of promoting the employment of people with disabilities and promoting their uniqueness within its teams. To improve the inclusion of people with disabilities in our society, Carrefour has made disability the "great cause" of the 2023-2026 strategic plan and is committed to two major objectives. The first concerns employees. Carrefour has announced an objective of

welcoming 15,000 people with disabilities on to their payroll by 2026. The second concerns our customers. Carrefour is committed to eliminating the five irritants that plague customers with disabilities in stores and on digital formats by opening priority checkouts, improving in-store signage, easing the customer path, promoting digital accessibility and offering products adapted to the specific needs of disabled customers.

The Group has 11,281 employees with disabilities, making up 3.7% of its workforce at end-2022. To help each country make its contribution to the ambitious goal of having 15,000 disabled employees by 2026, country-specific targets and action plans have been laid down.

Both the proportion and the total number of employees with disabilities increased during the year, due in particular to the consolidation of Grupo BIG. In addition, the implementation of a wide variety of measures to hire the disabled spurred an increase in their proportion of the workforce in nearly every host country.

Key Performance Indicators	2022	2021	Change
% of employees recognised as having a disability	3.7%	3.4%	+0.3 pts
Number of employees with a disability	11,281	10,902	+3.5%

3. Inclusion and equal opportunity

In late 2020, a commitment was made in France to hire 15,000 young people, half from disadvantaged neighbourhoods, and to take on 3,000 third-year trainees from schools in priority education zones. Ultimately, nearly 18,000 young people accordingly joined the Group on work-study and permanent contracts, 53% of whom came

from disadvantaged urban areas, while more than 3,200 middle school students were able to come and discover working with us. The recruitment drive targeting young people from all backgrounds continued in 2022: by the end of November, more than 15,000 young people aged under 30, 55% of whom came from disadvantaged urban areas, had been hired.

Key Performance Indicators	2022	2021	Change
% of employees under 30	34.5%	34%	+0.5 pts
% of employees between 30 and 50 (as a %)	47%	48%	-1 pts
% of employees over 50 (as a %)	18.5%	18%	+0.5 pts

4. Battling all forms of harassment and discrimination

In 2022, 5,909 alerts were received through the ethics hotline, which is available in all Group countries. Alerts concerning

discrimination and harassment accounted for 8% of total alerts received. These alerts help the Group fine-tune its action plan and initiatives to battle all forms of harassment and discrimination.

Action plans

1. Promoting diversity and gender equality

1.1. HELPING WOMEN TAKE UP LEADERSHIP POSITIONS

The Group employs 184,817 women, representing 55.2% of the total workforce. Carrefour is actively supporting and training both women employees and women managers through dedicated leadership programmes. The goal is to increase the percentage of women among Executive Directors from 22% in 2020 to 35% by 2025. The Group develops individual coaching and mentoring programmes designed for women so as to increase the number of high-potential female employees, including:

- the Group has internal programmes, including the Empowering Women Leaders programme, which yielded stellar results when first held in a pilot edition in 2022 and will be held again with eight women Directors in 2023. Based on small group workshops and individual coaching, the programme enables participants to work on their approach to leadership based on their own perceptions and obstacles, as well as within the organisation. Many initiatives have also been implemented at country level to improve gender diversity in management and in certain job families. In Spain, Carrefour has partnered with an innovative coaching programme for high-potential female employees. Every year, the participants compete in an inter-company regatta, to help them get to know each other better and encourage them to seek out new challenges. An inter-company mentoring programme has been set up, with workshops set up for over 100 female managers to discuss the obstacles and limits to their development within the company. They also had the chance to take part in 360° Feedback sessions and complete self-coaching reports;
- the EVE programme initiated by Danone;
- the international Women Leaders programme, which embodies several Group commitments inspired by the signing in 2013 of the UN Women's Empowerment Principles (WEP) by the Chairman and Chief Executive Officer and the Executive Directors for Spain, Argentina, Brazil and Belgium;

- in all Group training programmes designed to facilitate internal promotion, particular attention is paid to ensuring gender diversity among graduating classes. The Leaders School plays a key role in promoting gender equality at Carrefour, as illustrated by the diversity of its graduating classes, as does the Next Gen 1 programme, in which 60% of participants are women.

The Group also offers its employees numerous opportunities for networking and sharing best practices, notably via its partnership with the LEAD Network, a professional network dedicated to gender equality in the retail and consumer goods industry in Europe. The system has given rise to countless initiatives in the various countries, such as the hosting of an event by the France chapter at Carrefour's head office to promote gender equality in the workplace and the launch of a LEAD chapter aimed at overcoming prejudices in Romania. In addition, a selection of employees, including graduates and alumni, also had the chance to take part in inclusive leadership training programmes and inter-company mentoring, and to attend the annual LEAD Network event.

Carrefour's commitment is also reflected in the Group's CSR and Food Transition Index, which tracks progress over time in two key areas:

- **Gender Equality European & International Standard (GEEIS) certification:** to have external assurance about the effective implementation of its gender equality policies while also enhancing the visibility of its initiatives, Carrefour wanted to adopt a standard that would be recognised worldwide. The decision to use GEEIS was motivated by the Group's desire to have a single, external, auditable reference system, adapted to our global presence and to the diversity of our social legislation. GEEIS assessments – both qualitative and quantitative – allow for clear reporting to management on the progress made. In 2020, in keeping with the commitment announced publicly in 2017, Carrefour achieved its objective of obtaining GEEIS certification in all its host countries. Campaigns to audit our entities against the GEEIS continued during 2022, with maturity levels maintained in all countries and an extension of the certification scope in Carrefour Italy to GEEIS Diversity;

■ **increasing the number of women on governing bodies:** in 2021, Carrefour's Board of Directors made a new commitment, which was incorporated into the CSR and Food Transition Index – to have "35% women Executive Directors (C200) by 2025". This has led to targets, by year and by country, which are monitored at Group level. At end-2022, this indicator was 25.7% at Group level, an increase of 3.3 points on 2020.

This policy enabled Carrefour to maintain the proportion of women in management in 2022 despite a slight increase in the proportion of men in the workforce as a whole (42% in 2022). The percentage of women held steady among managers (44%, the same as in 2021), Directors (25%, unchanged from 2021) and Senior Directors (20%, compared with 19% in 2021).

At the end of 2022, the Executive Committee had 14 members, including four women, i.e., 28.6% in 2022, compared with 7% in 2017. 46% of Board members are women.

1.2. COLLECTIVE AGREEMENTS ON PROFESSIONAL AND PAY EQUALITY

In 2020, Carrefour's management signed a new gender equality agreement with trade unions that aims to facilitate career advancement for women and allow men to play a larger role in family life, with no judgement or worry about their careers. The agreement covers recruitment, training, promotion, generous compensation, working conditions and work-life balance. Together with the trade unions, the Group has defined objectives and committed to implementing practical initiatives in each of these areas.

Equal pay policies are also being implemented across the Group. In France, for example, the new gender equality agreement signed by Carrefour hypermarkets on March 9, 2020 includes a system for monitoring pay equality at both the individual and collective level.

1.3. PROTECTING WORK-LIFE BALANCE AND SUPPORTING PARENTS

Carrefour is strongly committed to promoting work-life balance, one of the four focus areas of the Women Leaders programme. Measures benefiting both women and men have been implemented. Indeed, employees can benefit from childcare facilities. In France, for example, employees can use the *crèche* at head office or receive financial assistance in the form of CESU employer vouchers to which Carrefour contributes 50%.

At the same time, there are numerous initiatives in all the Group's host countries to help employees at every stage of parenthood. In France and Romania, additional leave is granted to employees involved in an assisted reproduction programme. In Brazil, Carrefour joined the Corporate Citizenship programme a few years ago, thereby extending maternity leave (to six months) and paternity leave (to 20 days) and taking them both above the legal minimum. The company also has a special health programme in place for pregnant women and provides breastfeeding rooms in some hypermarkets. Specific measures have also been introduced at Carrefour Argentina, which grants maternity and paternity leave that is more advantageous than that required by local law, and where women leaders benefit from a specific support programme on their return to work, including flexible hours.

2. Employees and customers with disabilities

2.1. RECRUITING, INTEGRATING AND RETAINING PEOPLE WITH DISABILITIES

Carrefour has made its approach to hiring and integrating people with disabilities, and keeping them in employment, a fundamental part of its human resources policy.

The first agreement on the employment of people with disabilities was signed in 1999 for the French hypermarkets. It has since been renewed eight times. Its most recent renewal was in 2020, with the aim of securing career paths and keeping people with occupational health problems in employment. The agreement also promotes the recruitment of people with disabilities on work-study contracts. Twenty years after this first measure, Carrefour remains very committed on this issue. Carrefour supports its employees with disabilities throughout their careers. Disability Advisors are appointed within each format to provide this support.

At Carrefour France, to facilitate the employability of people with disabilities, an Inclusion Manifesto endorsed by the Ministry of Solidarity and Health was signed in 2019. It contains ten concrete commitments. In terms of recruitment, all positions are open to all, with the promise that selection is systematically based solely on skills, motivation and suitability for the position. Carrefour also renewed its participation in Hello Handicap, a dedicated job fair, in 2022. The role of the Disability Advisors and the Human Resources departments is to support the onboarding process, notably by identifying the employee's needs so as to adapt their work environment accordingly, as well as the administrative recognition of their disability by helping employees draw up their recognition files (RQTH). Employees also benefit from specific measures provided for in collective bargaining agreements, such as authorised days of absence or financial assistance.

Additionally, the Group works to maintain employment when a person becomes disabled during their working life. Jobs can be adapted in organisational, material or human terms to help preserve the skills and improve the working conditions of the employees concerned. Measures are also taken to train and raise the awareness of all stakeholders in the company on this subject. For example, recruiters are trained in non-discrimination, disability advisors have access to a dedicated programme and managers receive training to combat preconceptions. In 2022, Carrefour made a commitment to the French Handisport Federation. Our partnership aims to promote the employment of people with disabilities and to raise the awareness of our employees on the subject. Special arrangements for deaf and hearing-impaired employees are also in place.

2.2. CHANGING THE WAY PEOPLE VIEW DISABILITIES

In its efforts to change the way people view disability, Carrefour supports and takes part in several events to raise awareness about disability and embrace difference within its teams.

Carrefour is a partner of the Paris 2024 Olympic and Paralympic Games and wishes to use the Paralympic Games to promote inclusion. These games are an opportunity to make our services more accessible to customers with disabilities, to showcase the performance of our employees with disabilities and to raise awareness of disability among our employees and customers.

In October 2022, Carrefour held its first #PARAmourduSport week in France. It was a week devoted to raising awareness among our employees and customers about disability through sports. A total of 245 employees participated in events during the week, eight stores and three head offices took awareness-raising initiatives, and internal and external communication on disability reached 32 million people over the week.

In November 2022, Carrefour continued its awareness-raising initiatives by once again taking an active part in European Disability Employment Week, which has been organised for the past 24 years by ADAPT, a French organisation that promotes the social and professional integration of people with disabilities. Carrefour France and Carrefour Belgium renewed their commitment to Duo Day, a European operation in which France has been taking part since 2018. The idea is to pair up employees in the public or private sector and people with disabilities. The "duos" spend a work day together, either in person or online.

In Spain, the INCLUYE programme aims to promote the inclusion and visibility of employees with disabilities through meetings, tutors and initiatives organised by the human resources teams and the employees themselves. Another programme gives Carrefour employees the chance to volunteer their services to provide training to people with intellectual disabilities. In Brazil, September 21 is National Day of Support for People with Disabilities. In 2022, various disability inclusion initiatives were organised throughout the week, for both managers and employees. Conversation circles were also organised to discuss issues relating to inclusion and the careers of people with disabilities.

Another Group initiative taken in 2021 was the roll-out and widespread take-up of a "quiet hour for all" adapted to people with autism spectrum disorders. In France, for instance, the lights in more than 1,240 stores are dimmed, and music and announcements are muted for four hours every day. Similar initiatives also exist in Group countries including Poland, Spain and Argentina. In addition, to mark the International Day of Awareness of French Sign Language (LSF), Alexandre Bompard launched an initiative together with the Ministry of Solidarity and Health to teach store employees ten signs to give a proper welcome to deaf or hearing-impaired people. In partnership with the Red Cross, Carrefour Argentina aired a sign language training video for checkout staff in its stores.

In Spain, Carrefour has also been working for several years to improve accessibility for deaf or hearing-impaired people in some of its hypermarkets through "SVIsual", a video-interpretation service for people using sign language.

3. Inclusion and equal opportunity

Establishing an inclusive corporate culture that promotes equal opportunity within its organisation is a key priority for Carrefour. Inclusion and equal opportunity have therefore been integrated into the strategy for listening to employees. In the most recent survey, carried out in 2021, all of the Group's managers (over 16,000 respondents) were asked about their feeling of belonging to the Group and their opinion on the level of acceptance, authenticity and equal opportunity at Carrefour. The results showed that a culture of inclusion and equal opportunity is seen as one of the Group's key strengths.

3.1. INCLUSION FOR ALL

Measures for young people

With a commitment to an active approach to recruiting and training young people going back years, the Group undertook at the end of 2020 to hire 15,000 young people in 2021, 50% of whom from disadvantaged urban areas, and to take on 3,000 third-year trainees from schools in priority education zones. Ultimately, nearly 18,000 young people joined us on work-study programmes and permanent contracts, 53% of whom from disadvantaged areas, and more than 3,200 secondary school students were able to come and learn about a job with us. This dynamic recruitment of young people from all backgrounds continued in 2022: by the end of November 2022, more than 15,000 young people aged under 30, 55% of whom from disadvantaged neighbourhoods, had been hired.

Significant resources have been invested to offer them high-quality courses earning them certificates or diplomas. As a result, Carrefour was awarded the Employer Brand and Recruitment Trophy at the eighth edition of France's Human Capital Leaders Awards in 2021. These various initiatives are a testimony to the Group's commitment to promoting equal opportunity at a time when younger generations are reeling from the effects of a crisis that makes it more difficult for them to find sustainable job opportunities.

In addition, the new *Tremplin* (Springboard) programme launched at the end of 2021 was extended this year. It reflects Carrefour's aim of promoting diversity in its teams, and opens up a new way to join Graduate Programmes. An innovative, inclusive approach, it enables a group of work-study students from disadvantaged neighbourhoods to follow a dedicated curriculum. They benefit from training (with a strong focus on the Carrefour leadership model), immersion sessions and mentoring from former graduates, with the aim of joining a Graduates Programme later on.

Measures promoting diversity at Carrefour

As part of its 2026 strategic plan, Carrefour has reaffirmed the importance of equal opportunity, diversity and upward mobility. These objectives form the core of our recruitment, skills development and internal promotion policies. To promote access to job opportunities for all types of talent, Carrefour has formed numerous national and regional partnerships with non-profits and institutions involved in employment and integration.

In 2022, Carrefour strengthened its commitment to diversity and inclusion by becoming one of the signatories of the charter of *L'Autre Cercle*, a non-profit that seeks to promote the inclusion of LGBTQ+ people in the workplace. In order to address the difficulties that transgender people can face in their professional integration, 2022 saw Carrefour Brazil organise a webinar to mark Trans Day of Visibility in January, take part in a fair dedicated to the employment of transgender people and confirm the "Transforma" skills development programme specifically targeting this demographic. Action is also being taken to promote the employment of older people. One example is the Group's partnership with "Hire 45+", a non-profit organisation in Romania that aims to encourage the recruitment of people over 45. In Spain, Carrefour partnered with the Red Cross and signed an agreement on employment and social integration.

Carrefour regularly organises events aimed at facilitating the recruitment, integration and inclusion of diverse profiles. Every year, a whole day is dedicated to diversity at Carrefour in order to promote the acceptance of others among employees. International Diversity Day 2022 was marked by the production of an educational video created and distributed internally to highlight work aimed at promoting diversity and inclusion at Carrefour in all of our host countries. It included a spotlight on

stereotypes and was designed to raise awareness among employees in all our host countries and encourage them to think about what they can do to contribute to a more inclusive working environment.

Lastly, an extensive communication campaign entitled *Chacun sa chance #jeveuxjepeux* (Give everyone a chance #yesican) was rolled out in 2022 to highlight the full range of HR measures supporting equal opportunity at Carrefour France. It is embodied by committed and active employees who talk about their career paths and the HR measures that have helped them along the way. The campaign's posters and videos were organised around five main themes: gender equality in the workplace, disability, profiles from priority urban areas, the LGBTQ+ community and educational level.

3.2. PROMOTING EQUAL OPPORTUNITY THROUGH THE LEADERS SCHOOL

An in-house training school, the Leaders School is designed to facilitate internal promotion, which plays a key role in supporting diversity and equality at Carrefour. This is illustrated both by the gender diversity of the graduating classes and by the inclusion of specific modules dedicated to diversity and equal opportunity. To accelerate internal promotion, Carrefour announced in its strategic plan that the number of graduates from the Leaders School programme would be doubled, so that a total of 5,000 employees will graduate by 2026.

4. Battling all forms of harassment and discrimination

4.1. INITIATIVES TO COMBAT DISCRIMINATION

Carrefour stores and entities promote diversity within their teams and the Carrefour Code of Professional Conduct is sent to all suppliers, who must pledge to adhere to the Group's ten Principles of Ethics. Since October 2016, these principles relate to respecting diversity, contributing to a safe and healthy working environment, promoting social dialogue, banning all forms of harassment and ensuring the safety of people and property.

4.2. INITIATIVES TO COMBAT VIOLENCE AND HARASSMENT

The Group's various host countries are firmly committed to combating sexual harassment and casual sexism. On March 8, International Women's Day, various awareness-raising initiatives were organised for employees. Brazil communicated internally, asking people to reflect on sexist behaviour and how to change mentalities. It also took part in the initiative to support employability organised by the Women's Secretariat of the São Paulo Trade Union. In France, the Group has had sexual harassment and sexism liaison officers since 2019 (around 300 drawn from the Works Council and 300 Carrefour employees). These liaison officers have received training that enables them to apply regulations to real-life situations of sexism

or harassment, detect risky situations and identify means of prevention. E-learning modules on sexism and harassment have also been made available to both managers and employees.

Carrefour is also actively engaged in the fight against all forms of discrimination and racial violence. Carrefour Brazil has taken firm action and performed a comprehensive review of training policies for employees and subcontractors in terms of safety, respect for diversity and values of tolerance. The Carrefour Brazil group has a plan against racism. It features eight public commitments, which break down into more than 70 actions including ones focused on the internship and apprenticeship programme, plus awareness-raising on the fight against racism for all employees. In 2022, a documentary was also made to highlight the main thrusts of this plan and show some of its practical impacts. The importance of these initiatives was recognised in 2021 by the GEEIS Diversity certification awarded to Carrefour Brazil.

Joint initiatives and partnerships

- Partnership with the International Labour Organization (ILO)
- ILO Charter since 2015
- CEASE project (FACE)
- Orange Day with UN Women France, for the past seven years
- International agreement between Carrefour and UNI Global Union renewed in 2021
- AFMD (French Association of Diversity Managers)
- ARBORUS (GEEIS)
- Quality of Life at Work Observatory (formerly OPE)
- French Handisport Federation (FFH)
- *L'Autre Cercle*

+ Find out more

- [Carrefour.com: Encouraging diversity and inclusion and battling all forms of harassment and discrimination/CSR](https://www.carrefour.com/en/encouraging-diversity-and-inclusion-and-battling-all-forms-of-harassment-and-discrimination/CSR) (see the Employees section)

2.1.6.5 Protecting employee health, safety and quality of life

Context and definition

As part of the third commitment of its Act for Change programme, "Acting with simplicity", Carrefour allows its 334,640 employees to enjoy a secure and positive professional environment. The Group pays particular attention to protecting employees' health and their quality of life at work. It has notably taken resolute action to prevent musculoskeletal disorders (MSD), which are the cause of 45%

of workplace accidents and occupational illnesses, as well as to prevent stress and psychosocial risks and more generally to protect employees' mental health. Carrefour strives to improve quality of life at work by implementing initiatives that encourage employees to exercise, roll out remote working arrangements and enhance work-life balance.

Carrefour's policy

The "Acting with simplicity" pillar of the Act for Change programme is built around three objectives: using resources appropriately and efficiently; acting quickly and simply; and empowering yourself and others. In practical terms, Carrefour is committed to protecting employee health, reducing the risk of workplace accidents in all its locations and implementing innovative initiatives to improve quality of life at work.

Since end-2020, all of the Group's host countries have an

action plan on health, safety and quality of life in the workplace. Integrated local teams are responsible for setting targets, particularly in relation to workplace accident frequency and severity. These teams are required to structure an action plan covering topics such as the prevention of accidents in the workplace and at home; occupational illnesses; work-related stress; improving work-life balance; and training on conflict management in the workplace.

Performance

1. Protecting employee health and preventing workplace accidents

Key Performance Indicators	2022	2021	Change
Workplace accident frequency rate (number of accidents/millions of hours worked)	25.7	25.3	+0.36 pts
Workplace accident severity rate (number of days absent due to workplace accident/1,000 work hours)	1.01	0.90	+0.11 pts

(1) Scope: excluding AT and BR.

(2) Scope: 100% of 2022 consolidated net sales.

Indicators ⁽¹⁾	2022	2021	Change
Rate of absence due to workplace and travel-related accidents	0.43%	0.66%	-0.23
Absenteeism rate: illness	6.34%	5.17%	+1.17
Absenteeism rate: workplace accident	0.38%	0.61%	-0.23
Absenteeism rate: travel-related accident	0.05%	0.05%	-

(1) Hours absent (depending on the reason) as percentage of hours worked. Scope: excluding Carrefour Brazil and AT.

2. Listening to employees to ensure quality of life in the workplace

See Section 2.1.6.3.

Action plans

1. Protecting employee health and safety

1.1. ASSESSING RISKS TO FACILITATE PREVENTION

To reduce the number and severity of workplace accidents, Carrefour puts risk assessment and prevention at the heart of its health and safety management system. The Group's prevention teams have identified the safety hazards of around 60 workstations, as well as appropriate preventive measures, so that each site can devise, implement and update their own action plans. Carrefour's health and safety risks primarily concern employees who work in its stores and warehouses. The main

causes of accidents in stores relate to the use of machines, such as ham slicers, bone saws and kneading machines. For the logistics side of operations, the main risks are associated with access to loading docks.

Workplace accident prevention begins on day one of the employee orientation process. In all Group's host countries, new hires receive training as soon as they arrive so that they know what professional risks are associated with their work environment, how to protect themselves against these risks and who to notify in the event of a malfunction or a hazardous situation.

Workplace health and safety remains a top training priority throughout the careers of Carrefour employees, who participate regularly in sessions on first aid, the prevention of risks related to manual handling and the prevention of work-related accidents.

1.2. ELIMINATING MUSCULOSKELETAL DISORDERS

Musculoskeletal disorders are a major cause of workplace accidents and occupational illnesses. Carrefour invests continuously to ensure that its employees have access to suitable handling assistance equipment, such as electric pallet trucks, shelving tables and pallet destackers. The Group's various host countries seek to innovate and offer technical solutions adapted to employees' work environments and suited to the specificities of their businesses (reduced shelving depth to limit postural constraints, warm-ups before starting work, installation of mechanical gripping devices for lifting certain items, etc.).

In France, Carrefour has a unit dedicated to preventing occupational risks. At the end of 2021, a dedicated Risk Prevention and Health department was created. In recent years, the network has pooled its efforts to address a key issue, musculoskeletal disorders, or MSDs.

To reduce the risk of MSDs, Carrefour has invested in handling assistance equipment. The company is involved in an in-depth study of workstation ergonomics. Analysis of workstation studies allows for developing new store furniture designs, thereby addressing issues at their source, so as to sustainably reduce employee exposure to musculoskeletal disorders.

In Poland, an extensive two-year work programme on personal protective equipment got under way in 2021. The process began with thorough testing of a wide range of safety shoe models and suppliers among in-store employees, taking quality and comfort into account. A new supplier was selected based on the findings of the test phase, with the possibility of ordering the new equipment from 2022.

At Carrefour Argentina, a specialist in ergonomics and workplace health and safety was brought on board in 2021 to update the ergonomics programme already in place.

1.3. PREVENTING STRESS AND MANAGING PSYCHOSOCIAL RISKS

The Carrefour group's preventive approach aims to assess the main psychosocial risk factors and develop appropriate action plans. Many initiatives designed to prevent stress and psychosocial risks are adopted locally, at the initiative of a single country or entity. Examples include stress management training and free hotlines and psychological support.

In France, psychosocial risk prevention training has been offered to managers for a number of formats. The aim is to make managers aware of the risks and signs of stress, helping them monitor and support their teams. The Wittyfit tool has been tested in all formats in order to help identify risk factors and enable employees to suggest initiatives to be included in the Group's action plans.

1.4. ENSURING AN APPROPRIATE WORK ENVIRONMENT AND WORKING HOURS

Carrefour is committed to ensuring that the Group's entities and its franchisees fully comply with local and regional legislation and regulations, as well as with sectoral collective bargaining agreements on working hours, overtime, rest periods and leave.

Since end-2020, all of the Group's host countries have an action plan on health, safety and quality of life in the workplace that includes initiatives related to working hours. To support employees required to work remotely during the health crisis, the countries have conducted awareness-raising programmes on the best practices to follow to preserve work-life balance, including such materials as webinars, guides and managerial support.

1.5. ENSURING ADEQUATE SOCIAL PROTECTION FOR EMPLOYEES

Carrefour France harmonised all its death & disability and healthcare insurance schemes via an agreement signed with trade unions in 2014. A responsible employer, Carrefour France has decided to offer all employees the same high level of social protection regardless of contract type (permanent, fixed-term, apprenticeship or professional training) and after just three months of service for non-management employees. Aligned with the Group's HR policies, this commitment enables Carrefour France employees and their families to benefit from quality social protection by pooling the needs of a large population. In 2021, new medical cover arrangements were introduced in other Group countries, such as Poland and Romania.

1.6. PROTECTING THE HEALTH AND SAFETY OF FRANCHISEES AND TEMPORARY WORKERS

The French franchisee network benefits from a number of initiatives implemented by Carrefour to reduce workplace accidents, such as workplace health and safety assessments and a dedicated crisis unit. Franchisees in France receive all the Group's procedures and communications relating to the health crisis, for example. They also have access to the internal Carrefour hotline, and their orders for protective equipment (hand sanitiser, gloves, masks) were pooled with those of other Carrefour stores at the beginning of the pandemic, when there was a shortage of supplies. In addition, in order to minimise the risk of accidents among temporary workers, Carrefour France has invested heavily to improve their safety training.

2. Innovating to enhance quality of life in the workplace

2.1. OFFERING FLEXIBLE WORK ARRANGEMENTS

Before the health crisis began, plans were already in place to support the cultural transformation required by the organisation of work. The vast majority of the Group's countries already offered employees in compatible jobs the opportunity to work from home or remotely some of the time. After the first lockdown, there were opportunities to accelerate this transformation and bring new dimensions to the working model in place within the Group – "smart ways of working" – by capitalising on the lessons learned during this period. In France, the agreement on remote working arrangements was renewed and extended in 2021, and comprehensive support was provided to managers to facilitate its implementation. A dedicated website gives employees access to a wide range of resources to help them adapt to the new organisation of work, including working patterns, information and reference documents. Training and webinars were also organised for this purpose. The Group also encourages the use of technology to increase flexibility and limit travel. Since 2018, employees have had access to the new G Suite solutions, which ensure flexibility by facilitating sharing, collaboration and remote working through tools such as Google Drive, video conferencing and shared calendars.

2.2. TAKING STEPS TO PROTECT EMPLOYEES' WORK-LIFE BALANCE

To ensure that all employees thrive in their work, Carrefour is committed to promoting work-life balance. Carrefour France is a signatory to the Parenting Charter, which upholds a healthy work-life balance for employees with children and encourages the Group to take concrete action in this regard. It is also a signatory of the Quality of Life at Work Observatory's 15 commitments on work-life balance, which stipulate in particular that employers must avoid contacting their employees at the weekend, in the evenings and during leave periods, except under exceptional circumstances, and take action to limit the emails sent outside office hours and on weekends. In the same vein, the agreement signed in 2017 and renewed in 2021 reaffirms employees' right to disconnect outside working hours and the need to be vigilant about the risk of overload. The new agreement on remote working signed in France in 2021 specifically extends this "right to disconnect" to include remote working arrangements. Lastly, in 2021, the Quality of Life at Work Observatory launched the new Parenting Charter, which reinforces the inclusive approach of the original 2008 version.

2.3. DEVELOPING EXERCISE PROGRAMMES TO IMPROVE EMPLOYEE HEALTH

Carrefour's Act for Food transformation project features a new tag line: "We are all entitled to the best". Going forward with that philosophy, programmes to promote employee health focusing on healthy lifestyle and eating habits – particularly by promoting exercise – have been rolled out in the Group's host countries. Argentina, Belgium, Brazil, Italy, Poland and Romania have all established exercise programmes, in partnership with professionals. Programmes to discourage smoking, excess weight and sun exposure are also available to employees.

In 2022, the Carrefour group became a premium partner of the Paris 2024 Olympic and Paralympic Games. Central to this partnership are Carrefour's *raison d'être*, the food transition for all, the Group's unique ability to involve all French people in this formidable celebration of sport through its 5,000 stores and e-commerce sites, as well as the Group's deep commitment to

the values of Paris 2024 and the quest to deliver energy-efficient, sustainable and inclusive Olympic and Paralympic Games. Under the slogan *Nourrir tous les espoirs* (Feeding all hopes), the partnership features a corporate project involving all our employees and franchisees through measures including awareness-raising programmes on disability, nutrition, and health at work through sport. Above all, Carrefour was able to offer more than 500 employees the opportunity to be selected as "volunteers" for the Paris 2024 Games. Events and challenges have been organised with top sportspeople within the company to promote sport and healthy practices. An employee community has been created on Workplace to bring together the employees most excited about this global event. Since January 2023, a solution has offered every employee in France access to 4,000 sports facilities around the country.

Joint initiatives and partnerships

- Global framework agreement with UNI Global Union
- World Alliance – UNI Global Union
- Group Global Deal with the French Ministry of Labour
- Agreement establishing the European Works Council with the FIET
- European social dialogue meetings, Eurocommerce

+ Find out more

- [Carrefour.com: Protecting employee health, safety and quality of life in the workplace/CSR](#) (see the Employees section)
- The Group's Principles of Ethics
- Ethics hotline

2.1.6.6 Case studies in 2022

Facilitating access to our stores for highly sensitive people

In France, around one in seven adults, or 4.3 million people, live with a functional disorder and/or a perceived disability. Carrefour celebrated the second year of its "quiet hour" in 2022, developed in collaboration with Autisme France and launched to coincide with International Autism Awareness Day in April 2021. More than 270,000 quiet hours were organised in the Group's various host countries. Quiet hours are designed to limit the noise and visual disturbances that can disrupt the experience for autistic shoppers: the store's lighting is dimmed, and music and radio announcements are muted. Cleaning equipment is not used during quiet hours. Initially held weekly, quiet hours were gradually expanded to become a daily event, and then twice-daily in March 2022.

Raising employees' awareness about inclusion for people with disabilities

As a supportive and responsible employer, Carrefour has reaffirmed its commitment to inclusion by signing an agreement with the French Handisport Federation to support inclusion through sport and increase recruitment and employment for people with disabilities. As a premium partner of the Paris 2024 Olympic and Paralympic Games, Carrefour played a role in the first Paralympic Day on October 8, 2022. During the week, Carrefour organised several events to promote the Paralympic Games and raise awareness of disability through sport.

Employing people with disabilities has been one of the Group's key human resources policies for more than 20 years. Carrefour teams in France and Belgium took up the cause to mark European Disability Employment Week (November 2022). On November 17, 2022, they participated in Duo Day, an initiative that gives employees the opportunity to pair up with someone with a disability to share and explain their work day. In Brazil, from March 21 to 25, 2022, the Group organised an initiative aimed at hiring people with disabilities. Carrefour Brazil then went on to partner with the Institute of Social Opportunity (ISO) to open vocational training courses for people with disabilities in São Paulo, Rio de Janeiro and Porto Alegre.

Supporting the fight against breast cancer

Carrefour Belgium has been supporting the international breast cancer awareness non-profit organisation Pink Ribbon for seven years, notably by bringing the non-profit's various initiatives to customers in its stores throughout the year but also thanks to the commitment of its employees. This year, Carrefour Belgium once again gave its support to Pink Ribbon, notably through the charity rounding-up scheme. From October 3 to 6, 2022, Carrefour customers could opt to round their docket up to the next euro to help fund the fight against breast cancer. A total of over 120,000 euros was raised. In Italy, the initiative promoted by Procter & Gamble in support of the Prevention Caravan resulted in over 1,250 breast cancer screenings. On the strength of this, Carrefour reiterated the event in March 2022. In France, a collaborative inter-company challenge ran from October 10 to 21, 2022. Over two weeks, the Carrefour France teams took on countless challenges and travelled no fewer than 32,500 kilometres, propelling Carrefour to the top spot in the community ranking. This is a compelling demonstration of Carrefour's resolute commitment to breast cancer prevention.

Carrefour's digitalisation

Carrefour aims to be a world leader in Digital Retail. This vision, which was set out at Digital Day 2021, grew from the belief that a Digital Retail company is one where all employees and all functions seek to promote the digital transformation at their respective level, and to make it a part of their day-to-day work. This means that digital aspects cannot be confined to a specific business line, but that they are truly part of Carrefour's DNA and the core business of each team. Two commitments were announced with that in mind at Digital Day:

- bring digital technology into the daily lives of all employees by rolling out Workplace, Meta's digital platform; it was launched in France and Belgium in the first half, and in Italy, Spain and Romania in the second half. To date, 175,000 employees and guests have access to Workplace, and half of them are already active users. The roll-out will be extended to the rest of the Group in 2023. The aim is to enable employees to build work-related communities and capitalise on the familiar features of social networks in their daily working lives. By removing silos and promoting direct communication between all employees, regardless of their position in the Group, their entity or their host country, Workplace will help free up time to enable Carrefour teams to be more present in the field, serving customers;
- train all employees in digital technology by 2024, i.e., 100,000 people per year, with the creation of a Digital Retail Academy. 152,000 Group employees received digital training during this first year.

Several programmes were developed and rolled out during the year. Together with HEC, Carrefour University trained all of the Group's Top 200 executives in data. Tech profiles took part in a global competition hosted by Google, receiving training on GCP. Head office employees received training in data and AI.

As a pilot for the Group in France, the Digital Retail Academy has launched *Tous Digital !*, a cross-functional and fast-track training course aimed at bringing all Carrefour employees up to speed with digital technology. Held over a three-week period from mid-October, *Tous Digital !* was unprecedented in terms of its breadth, form and ambition. A year after the Digital Day announcements, it allowed each employee to gain an understanding of how the digital transformation is key for Carrefour's future and how everyone has a role to play. *Tous Digital !* is not a classic training course. It is actually more like a digital serious game, offering a fun and innovative experience in a virtual world. This 45' experience was designed to offer our employees a striking and engaging experience.

Over 60,000 employees completed the training during the three weeks. Similar courses are under development in the Group's other countries.

In April 2022, Carrefour and Albert School, a school of excellence in the field of data, embarked on a unique partnership. To train people capable of grasping, exploiting and enhancing the value of data, Albert School builds its teaching around what it terms "Business Deep Dives". The "Dives" are three-week sequences devoted to analysis of business models and challenges ranging from economics and finance to marketing, retail and data. Carrefour launched the first Business Deep Dive, sharing practical cases of data use and calling on its employees to give courses. The partnership also includes funding by Carrefour of three scholarships for students who entered the Albert School's Bachelor's programme at the start of the 2022 academic year.

Carrefour's commitment for refugees

2022 was indelibly marked by the crisis that had been sweeping over Eastern Europe for several months. Our commitment for refugees was illustrated by the Group's partnership with national and European humanitarian aid bodies including the European Food Banks Federation and *Médecins sans Frontières*. The Group's various host countries expressed their solidarity in their individual ways. For example, Carrefour Belgium gave its customers the chance to come to the aid of Ukrainian refugees by rounding up their dockets from March 4 to 20, 2022. A total of 270,440 euros was raised and passed on to the Belgian Red Cross. A similar initiative was organised in Italy. To support NGO *Terres des Hommes*, customers could donate 2, 6 or 10 euros (or more) at the checkout. The money raised was combined with donations from staff to help distribute the supplies needed to ensure the continuity of emergency and paediatric services in Ukrainian hospitals. To go further, three lorries from Italy containing more than 25 tonnes of food and basic necessities

were donated by Carrefour to meet the urgent needs of reception centres in Poland. Poland and Romania, which both neighbour Ukraine, have also taken countless measures to support the refugees arriving on their soil, including collection drives, food distributions and even recruitment in stores. In both countries, the Carrefour Foundation also contributed to the purchase of basic necessities for refugees by partnering with FARA Foundation, Ocalenie Foundation and the Polish and Romanian Red Cross.

More broadly, the Group is committed to inclusion and the promotion of diversity. In Brazil, an initiative focused exclusively on the hiring of refugees took place on February 15, 2022. With several editions throughout the year, the "D-Days", held by Carrefour Brazil since 2018, consist of special dates aimed at hiring professionals from minority groups. Over 250 refugees are currently working at Carrefour, 150 of whom were hired in 2021.