Universal Registration Document

Annual Financial Report

2023

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The elements of the Annual Financial Report are identified using the pictogram AFR

The elements of the Non-Financial Performance Statement are identified using the pictogram NFPS

Universal Registration Document

2023 Annual Financial Report

AUTORITÉ DES MARCHÉS FINANCIERS
AMF

The French language version of this *Document d'Enregistrement Universel* (Universal Registration Document) was filed on April 28, 2023 with the *Autorité des Marchés Financiers* (AMF), as competent authority under Regulation (EU) 2017/1129, without prior approval pursuant to Article 9 of said regulation.

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This Universal Registration Document, including the annual financial report, is a reproduction of the official version which has been prepared in ESEF format and is available on the issuer's website, www.carrefour.com.

2023 WAS A YEAR OF ACCELERATION FOR CARREFOUR.

Amid intense pressure on purchasing power, both in Europe and in Latin America, our Group managed to step up its strategic plan on all fronts, pursuing its growth trajectory in its key economies. Reflecting this commercial momentum, our Carrefour-branded products continued to grow in popularity, and customer satisfaction rose by 4 points at Group level.

At the same time, our digital transformation took on a new dimension, with e-commerce growing by 26%, well ahead of the market, and with particularly strong performances in Brazil and France. 2023 also saw the launch of Unlimitail, our retail media joint venture with Publicis, and witnessed the JV's first commercial successes, signalling our European leadership in this fast-growing segment and our determination to take advantage of new business opportunities.

2023 marked a major milestone for strengthening the Group's local roots in Brazil, with the integration of Grupo Big, making Carrefour the undisputed leader in this key market. Our targeted acquisition strategy also resulted in the first major acquisition in France for over 20 years, that of the Cora and Match banners, whose network and business model are highly complementary to our own and will broaden our regional footprint and consolidate our commercial momentum.

We also stepped up the consolidation of our new businesses, both in energy, with the roll-out of our solar panels, and in real estate, thanks to our partnership in France with Nexity, to reap the full value of our assets.

Lastly, 2023 saw faster progress on our corporate social responsibility plan, with our CSR index reaching 110%. We placed particular emphasis on our initiatives for people with disabilities among both employees and customers, on women's health in the workplace, and on diversity of origins, so as to continue making Carrefour a more united and inclusive group. In this respect, the successful launch of our first employee share ownership plan, Carrefour Invest, attests to our employees' support for the Group's project and our commitment to involve them more closely in Carrefour's value creation and growth trajectory.

I would like to thank our employees and franchise partners for their unwavering commitment. Their passion and dedication have been key to navigating the year's challenges and continuing to deliver exceptional service to our customers.

These achievements reflect our ambition to remain at the forefront of food retail, while being a responsible and committed player in the communities we serve.

Alexandre Bompard
Chairman and Chief Executive Officer

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PRESENTATION OF THE CARREFOUR GROUP

1.1 Group profile – executive summary 2023

1.1.1 FACTS AND FIGURES

Operating an extensive multi-format and omni-channel network, Carrefour is one of the world's leading food retailers. Its 14,930 stores and e-commerce sites welcome 80 million customers every year.

The Group, which has 305,333 employees in eight countries (France, Spain, Italy, Belgium, Romania, Poland, Brazil and Argentina), reported 92,614 million euros in gross sales in 2023, an increase of 10.4% like-for-like (LFL). Recurring operating income came to 2,264 million euros, a decrease of 4.7% at current exchange rates, and up 9.8% at constant exchange rates and comparable scope of consolidation and accounting standards.

In an unprecedented inflationary environment, Carrefour confirmed the strength of its commercial strategy and the attractiveness of its model, posting good performances in Europe, particularly in France, Spain and Belgium, thanks to a series of initiatives aimed at easing customers' cost-of-living constraints, including anti-inflation baskets of essential goods at fixed prices, targeted price reductions and more, and the effective monitoring of its operations. Carrefour's acquisition of the 60 hypermarkets and 115 supermarkets under the Cora and Match banners was its first major deal in France in more than 20 years and consolidated its leadership in the French food retail market. In Spain, Carrefour also strengthened its position with the acquisition of 47 supermarkets and convenience stores from the El Corte Inglés group. Carrefour Brazil completed the conversion of the Grupo BIG stores, which are ramping up swiftly, despite the deflationary local environment. In the first half, the Group completed the sale of its stake in Carrefour Taiwan for approximately 1 billion euros.

The Group continued to develop franchising in France and set up operations in three new countries through master franchise agreements, in line with its objective of entering ten new markets by 2026.

The year was shaped by the implementation of the Carrefour 2026 strategic plan, reflected in very strong growth in own-brand sales, which now represent 36% of total food sales, the roll-out of the "Maxi" method in European hypermarkets and supermarkets, and the launch of Eureca, the Group's European purchasing platform.

The Group's digital model made significant progress thanks to the launch with Publicis of the Unlimitail joint venture, which aims to become a leader in European retail media. The Group's e-commerce business saw further vigorous growth, with a 26% increase in GMV, and its digital transformation continued, with the growing use of tech, data and AI solutions.

The Group remains actively committed to its main CSR pillars, particularly regarding waste, the climate, and diversity and inclusion, and is giving focused attention to disability, a major cause in the Carrefour 2026 strategic plan. Its CSR and Food Transition Index, which reflects the rate of achievement of annual targets in this area, came to 110% at the end of 2023.

2023 was a remarkable year in terms of cash flow generation, with net free cash flow of 1,622 million euros Carrefour's strengthening of its balance sheet and liquidity since 2018 has proved effective against the backdrop of macroeconomic uncertainties and rapid changes in food retailing.

1.1.2 BUSINESS OVERVIEW

Present in more than 40 countries worldwide, Carrefour operates directly in eight countries in Europe (France, Spain, Italy, Belgium, Romania and Poland) and Latin America (Brazil and Argentina). Together, France, Spain and Brazil account for 80% of consolidated gross sales. In these geographies, Carrefour is developing its integrated store network while putting increasing emphasis on franchising and lease management, two models that Carrefour sees as underpinning its future development. In Asia, the Middle East, Africa and other geographies, the Group works with local partners who are managing and expanding a network of stores under Carrefour banners.

In 2023, the Group had 14,930 Carrefour-banner stores worldwide. 8,865 of them are franchised stores in the eight countries in which it directly operates (of which 5,336 in France) and 2,543 are managed by international partners, i,e., a total of 11,408 are operated by a third party.

The Carrefour group serves its customers through a full range of retail formats, from hypermarkets and supermarkets to convenience stores, soft discount, cash & carry outlets and the "club" format with the banner Sam's Club. Its omni-channel structure gives customers the option of shopping in-store, ordering online, having their shopping home delivered or picking up their purchases from a sales outlet or a Drive.

In France, the Carrefour group had 6,035 stores under its banners at year-end 2023, of which 5,841 in mainland France and 194 through partners in overseas territories. They break down into five formats: 253 Carrefour hypermarkets, 1,037 Carrefour Market supermarkets, 4,561 convenience stores (Carrefour City, Carrefour Contact, Carrefour Express, Bio c' Bon, etc.), 151 Promocash cash & carry outlets and 33 Supeco soft discount stores.

In Europe (excluding France), Carrefour had 6,162 stores under its banners at the end of 2023, (4,959 operated directly in the five host countries and 1,203 through partners). They included 469 hypermarkets, 2,139 supermarkets, 3,445 convenience stores, 12 cash & carry outlets and 97 Supeco soft discount stores.

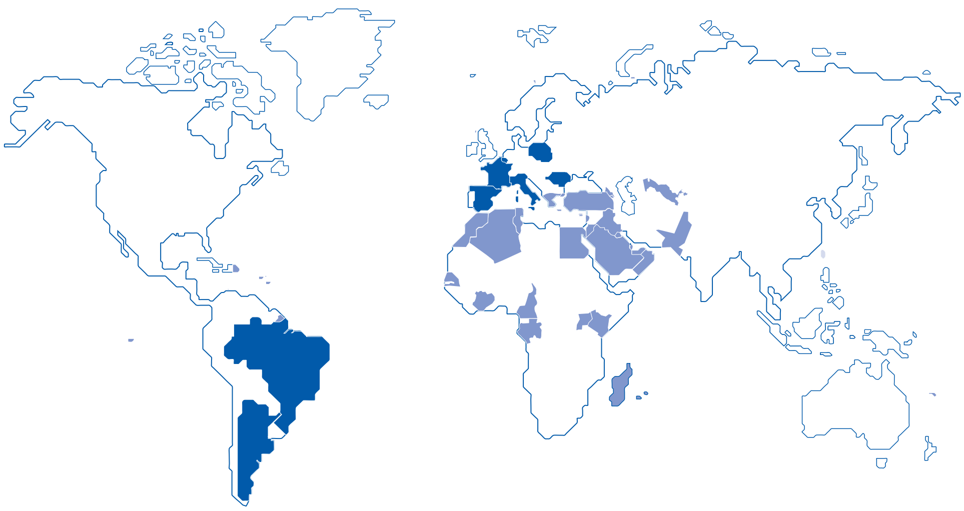
The Group is also a leading retailer in Latin America, where its multi-format store base in the two growth markets of Argentina and Brazil comprises 223 hypermarkets, 212 supermarkets, 631 convenience stores, 387 cash & carry outlets and 83 Supeco soft discount stores.

Carrefour also operates 1,146 stores with local franchisee partners in other regions around the world (Asia, the Middle East, Africa, etc.).

1.1.3 OPERATING REGIONS

Carrefour group
14,930 stores around the world

France **5,841*** stores | Belgium **707** stores | Poland **841** stores | Romania **447** stores



Argentina **651** stores | Brazil **936** stores | Spain **1,474** stores | Italy **1,490** stores | Other **2,543** stores

Integrated countries/regions Franchised countries/regions Taiwan**

* Metropolitan France.
** On June 30, 2023, Carrefour announced that it had completed the sale of its 60% stake in Carrefour Taiwan to Uni-President.

1.1.4 HISTORY OF THE GROUP

1959

The Carrefour Supermarchés company was created following a meeting between Marcel Fournier, owner of a novelty shop in Annecy, and the Badin-Defforey business, a grocery wholesaler in Lagnieu.

1963

France's first hypermarket was opened at Sainte-Geneviève-des-Bois, in the Paris region. The first of its kind, this 2,500 sq.m. self-service hypermarket offered a vast choice of products at low prices and had 400 free parking spaces.

1966

The Carrefour logo was created to mark the opening of the hypermarket in Vénissieux, near Lyon. It depicted the first letter of the word Carrefour placed in the middle of a diamond with the left half coloured red and the right half coloured blue, with black lines above and below.

1970

To finance its growth, Carrefour was listed on the Paris Stock Exchange, a first for the retail sector.

1973

Carrefour expanded internationally and explored new markets, opening its first stores in Spain under the Pryca banner, followed by Brazil in 1975.

1976

To offer its customers more affordable products, Carrefour reinvented its business and started to sell its own products. This was the beginning of *produits libres* (unbranded products) in plain packaging that would go on to revolutionise the consumer products business.

1981

Carrefour created the PASS card, a credit card and customer loyalty card rolled into one, which was an immediate success. Just three years after its launch, 200,000 customers had PASS cards and had used them for more than four million transactions.

1982

Changes in legislation and new consumer habits encouraged international development, which led to store openings in Argentina and then, in 1989, in Taiwan.

1992

Carrefour developed a new relationship with the agricultural industry by creating a completely new type of partnership, "Carrefour Quality Lines". The same year, Carrefour ushered in the era of organic products in retail with its "Boule Bio" organic bread.

1993

The Group inaugurated its first stores in Italy and then, in 1995, in China.

1996

The first partnerships with Food Banks were set up to redistribute food approaching its use-by date to those in need.

1997

Carrefour continued to expand internationally, opening its first stores in Poland. At the same time, the Group created its "Reflets de France" brand for products based on traditional French recipes.

1 2 3 4 5 6 7 8 9

1998

As the 1990s drew to a close, the Group underwent significant change and brought together various banners. After signing an agreement in 1997 with Guyenne & Gascogne, Coop Atlantique and the Chareton group, Carrefour purchased Comptoirs Modernes in October 1998, acquiring more than 700 stores operating under the Stoc, Comod and Marché Plus banners.

1999

On August 30, Carrefour submitted a friendly tender offer for the shares of Promodès, a company founded in 1961 by two Normandy families with a background in wholesale trade, the Duval-Lemonniers and the Halleys. The merger between Carrefour and Promodès, authorised by the European Commission in 2000, resulted in the creation of the world's second-largest retailer. The new Carrefour employed 240,000 people and had more than 9,000 stores throughout the world.

2007

The Group strengthened its presence in many countries between 2000 and 2010, either through controlled expansion or targeted acquisitions, including in France and Romania (Hyparlo, Artima, Penny Market), Belgium (GB), Poland (Ahold), Italy (GS), Brazil (Atacadão), Argentina (Norte) and Spain (Plus).

2008

Carrefour initiated a major renovation programme in its stores, converting its Champion supermarkets, for example, to the Carrefour Market banner.
In record time, the 1,000 French stores were rebranded to offer a wider range of products and services, a simplified customer path through the aisles, and the benefits of the Carrefour loyalty programme.

2013

Carrefour joined forces with the CFAO group, establishing a joint company to develop various formats of Carrefour stores in West and Central Africa. The same year, the Group launched an asset modernisation programme. During the programme's first year, 49 hypermarkets and 83 supermarkets were renovated and remodelled in France.

2014

To gain more control over its ecosystem, Carrefour partnered with institutional investors to create Carmila, a company dedicated to revitalising the shopping centres adjacent to its hypermarkets in France, Spain and Italy. The year was also shaped by the acquisition of the Dia network and the integration of 128 Coop Alsace stores in France, the acquisition of 53 Billa supermarkets and 17 Il Centro stores in Italy and the sale of a 10% stake in its Brazilian subsidiary to Península, designed to strengthen the Group's local roots in Brazil.

2016

Carrefour continued to expand its network, with the development of its convenience banners and the acquisition of Billa supermarkets in Romania and Eroski stores in Spain. In addition, the Group acquired Rue du Commerce and Greenweez in France and launched new e-commerce operations in China, Poland, Argentina and Brazil.

2018

Carrefour reinvented its business model and started to implement the Carrefour 2022 transformation plan inspired by its ambition to become the world leader in the food transition for all by 2022. The idea is to enable everyone to eat better at affordable prices by offering healthy, safe, balanced foods produced using sustainable and socially responsible farming methods. To achieve its ambition, Carrefour is creating an omni-channel universe in which its online presence is closely integrated with its physical store network and the emphasis is on quality food, available everywhere at any time. Carrefour acquired the So. Bio banner and launched a global advertising campaign of unprecedented proportion: Act for Food.

2019

Carrefour celebrated its 60th anniversary. Pursuant to the "Pacte" law adopted by the French Parliament, the Group included a *raison d'être (see Section 1.1.5)* in its Articles of Association. This measure, adopted at the Shareholder's Meeting on June 14, 2019 on the recommendation of the Board of Directors, was taken to support Carrefour in fully embracing its ambition to become the world leader of the food transition for all by 2022. The Group sold its businesses in China.

2020

In response to the Covid-19 epidemic, the Group fulfilled its mission as a food distributor while protecting its employees and customers. The health crisis confirmed the relevance of Carrefour's strategic choices in favour of the food transition, local purchasing, the link between food, health and the environment, low prices and e-commerce. Carrefour also adopted a new customer-oriented approach in 2020, with an emphasis on revitalising customer traffic and driving comparable growth, notably by deploying the 5/5/5 method, which makes customer satisfaction central to all of the Group's initiatives. Lastly, Carrefour pursued its strategy of making targeted,value-creating acquisitions (acquisitions of Italy-based Sorgente Natura, leader in organic products, and of a 49% stake in Ewally, a Brazilian fintech company).

2021

Carrefour set itself the goal of becoming a global leader in digital retail by 2026, by placing digital and data at the heart of its strategy. Its transformation into a digital retail company will be based on four key drivers, presented at the Group's Digital Day on November 9, 2021: acceleration of e-commerce; ramp-up of data and retail media activities; digitisation of financial services; and transformation of traditional retail operations through digital. The new model will be a powerful accelerator of growth, market share and financial performance for the Group.

2022

The Group launched its new strategic plan – Carrefour 2026. It aims to give all its customers access to the very best and invent the Group of tomorrow, drawing on its *raison d'être*, its commitment to the food transition for all, and its digital-based omni-channel model. (see Section 1.3 of this Universal Registration Document)

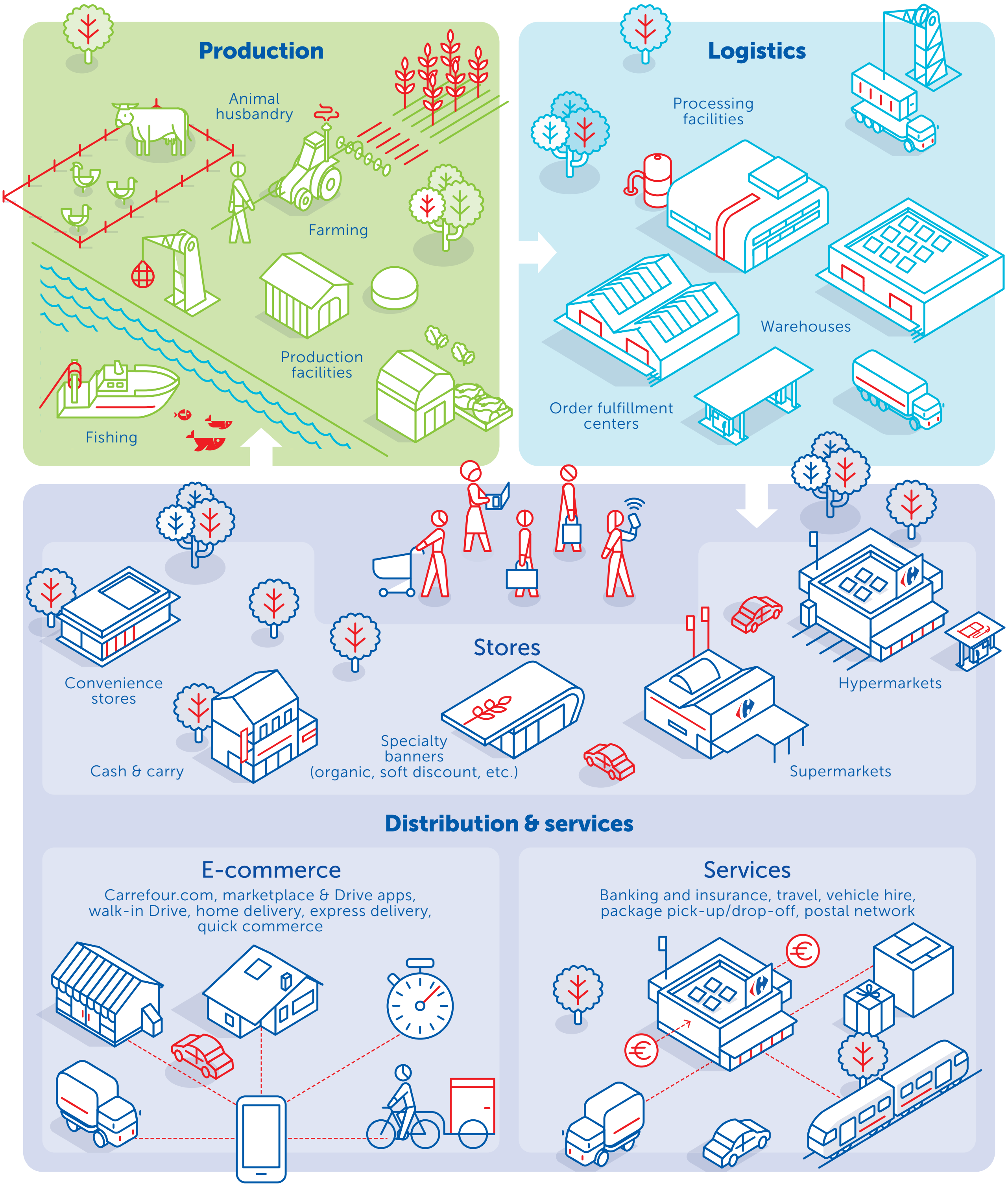
+ The highlights of 2023 and the first quarter of 2024 are presented in Section 1.1.6 of this Universal Registration Document.

2023

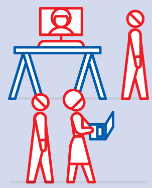
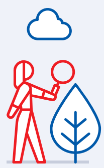
Carrefour celebrated the 60th anniversary of the opening of its first hypermarket in the southern Paris suburb southern Paris suburb of Sainte-Geneviève-des-Bois, a ground-breaking store format in France at the time.
Carrefour signed an agreement to acquire the Cora and Match stores by the summer of 2024.

Our business model

Our challenges • New eating behaviours • Consumer behaviours transformed by digital technology • Duty to provide affordable healthy food • An evolving agricultural model • Limited natural resources • More intense competitive pressure



Our assets • Our skilled employees • Responsible and multicultural approach • Broad geographic footprint • Ability to adapt to production and consumption modes

	Capital and resources	Creating shared value	for our stakeholders
ECONOMIC & FINANCIAL CAPITAL	→ **14,930** stores and **2,623** Drive outlets worldwide → Over **40** host countries [1] → **€92,614 million** in gross sales → **€2,632 million** in other income (finance companies, real estate development, leases) → **€198 million** in financial income	→ **€405 million** in dividends paid to parent company shareholders → **€4,439 million** of income and other taxes → **€1,606 million** in payroll taxes → **€608 million** in financial expenses	 Shareholders/investors, public authorities/ local governments
HUMAN & INTELLECTUAL CAPITAL	→ **305,333** employees worldwide [2] → **300** job families → Act for Change managerial programme	→ **€7,373 million** in wages, salaries and payroll taxes → Employee Net Promoter Score® (NPS®) measured → **69%** of employees accessing a training session during the year → **1,161** social audits performed at our suppliers → **28%** women in key, top-level positions → **33%** under-30 youth employment rate → **4.3%** employment of people with disabilities	 Employees
RELATIONAL CAPITAL	→ **1** worldwide e-commerce site → **45.2 million** loyalty cardholders → **15** international partnerships → **2,593** production facilities in Europe → **46,000** partner producers → Strategic partnerships and alliances → **€6,750 million** budget allocated by the Carrefour Foundation	→ **18.9 million** fans on social media → **22,238** Net Promoter Score® (NPS®) responses in 2023 (vs. 16,615 in 2022) → **€72,420 million** in purchased merchandise and services → **16,872** CQL partner producers → **€5.3 billion** in sales of products certified as sustainable → **48 million** meals distributed to food banks → **77** projects supported by the Carrefour Foundation	 Consumers/Professionals Supply chain intermediaries Service providers
NATURAL AND ENVIRONMENTAL CAPITAL	→ Fossil and renewable energies → Use of different materials such as plastic, cardboard, etc. → Use of natural resources from oceans, forests, land and other ecosystems → Water consumption	→ **38.3%** reduction in CO_2 emissions (vs. 2019) → **69.8%** of store waste recovered → **-35.7%** reduction in food waste (vs. 2016) → **60.9%** sales of fishery and aquaculture controlled products and produced using sustainable practices → **20,738** tonnes of packaging avoided since 2017	 Local communities and civil society

(1) including franchises
(2) at integrated stores

1.1.5 OUR *RAISON D'ÊTRE*

At the Shareholders' Meeting of June 14, 2019, the Group presented its *raison d'être*, a statement enshrined in its Articles of Association that reasserts its commitment to leading the transition for all by promoting healthier, more affordable food, while supporting the agricultural transition and helping to preserve the planet's resources:

"Our mission is to provide our customers with quality services, products and food accessible to all across all distribution channels. Thanks to the competence of our employees, to our broad territorial presence and to our ability to adapt to sustainable production and consumption modes, our ambition is to be the leader of the food transition for all."

Alexandre Bompard, Chairman and Chief Executive Officer

1.1.6 HIGHLIGHTS

Highlights of 2023

Food transition

- **February 1**: Carrefour signed an innovative commercial agreement with Bel Group to support the food and climate transition. It contains a series of measures that is respectful of the dairy sector and consistent with the climate transition and 1.5°C trajectory.
- **February 2**: Carrefour France organised the first "Plant Tasting Week" in its stores to promote the consumption of plant proteins.
- **March 1**: Carrefour launched Potager City, its new fresh local produce banner, and opened its first two stores in Paris.
- **June 15**: Carrefour organised the *Le champs des rencontres* event which allows its customers to visit its Food Transition Pact partners' farms.
- **September 6**: Carrefour created an international coalition with seven industrial partners to drive faster sales of plant-based alternatives.

Development and offers

- **February 17**: Carrefour expanded into Mongolia with its partner Altan Joloo, opening two stores – a hypermarket and a supermarket – in Ulaanbaatar.
- **April 14**: Carrefour and MoneyGram joined forces to extend Carrefour's financial offer to customers in the form of a money transfer service in Europe and Latin America.
- **April 27**: Carrefour announced the takeover of Cora's activities in Romania.
- **May 9**: Carrefour expanded into Israel with the opening of around 50 franchise stores.
- **July 6**: Carrefour and Nexity joined forces on 76 sites in France in a project to develop the Group's real estate portfolio.
- **July 12**: Carrefour announced the acquisition of the Cora and Match banners, consolidating its leadership in food retailing in France.
- **September 20**: Carrefour strengthened its position in Spain with the acquisition of 47 supermarkets and convenience stores in the Madrid, Catalonia, Andalusia and Valencia regions.
- **October 31**: Carrefour completed the acquisition of 10 Cora hypermarkets and 9 Cora Urban stores in Romania.
- **November 7**: The Carrefour banner entered Bulgaria by extending the partnership with Greek franchisee Retail & More.
- **November 21**: Carrefour announced a new partnership with the JIP Retail group in the Czech Republic.
- **November 30**: Carrefour and Nexity created the *Villes et Commerces* property venture.

Inflation and cost of living

- **January**: Carrefour Belgium decreed a 100-day price freeze on 100 products.
- **March 14**: Carrefour France created an anti-inflation basket of 200 products priced at an average of 2 euros in all stores.
- **September 29**: Carrefour began a cost-price fuel promotion in its hypermarkets, running until the end of 2023.
- **December 4**: Carrefour launched the Purchasing Power Guarantee in partnership with CNP Assurances to help its customers cope with unavoidable expenditure in the event of a sudden loss of purchasing power.

Anti-waste

- **March 29**: Carrefour became the first French retailer to obtain the national "anti-food waste" label, awarded to its Montesson hypermarket.
- **March 31**: Carrefour launched the first recycling kiosks in France, combining circular economy and purchasing power support.
- **October 12**: Carrefour Belgium reaffirmed its commitment to the fight against food waste and the recovery of waste through a new series of initiatives (awareness-raising in stores, recovery of expired products and waste, donations, etc.).

Inclusion and diversity

- **April 3**: Carrefour announced plans to step up its support for people on the autism spectrum on the occasion of World Autism Awareness Day (April 2).
- **May 16**: Carrefour France launched the Reading for All programme to promote reading among children.
- **June 15**: The Carrefour group announced the three winners of the Disability Innovation Challenge competition at VivaTech. The winning solutions aim to improve the in-store experience for customers with disabilities.
- **June 23**: Carrefour partnered with *Fondation Le Refuge* to provide material support and help marginalised young LGBT+ people find jobs.
- **October 17**: Carrefour stocked its shelves with products from the *Café Joyeux* brand, which seeks to find employment for people with Down syndrome or autism spectrum disorder in mainstream workplaces.
- **December 14**: The Group joined the Executive Committee of the One In Three Women network, which works to eradicate violence against women across Europe.
- **December 15**: Carrefour opened its first store in France fully accessible to people with disabilities, in the northern Paris suburb of Villeneuve-la-Garenne. The brand has implemented ten initiatives ranging from guide strips on the floor and special trolleys to a bell in the bulk section and audio recordings of ingredients to optimise the customer experience for people with disabilities.

Solidarity

- **From January 11 to February 4**: Carrefour took part in the *Pièces Jaunes* ("Yellow Coins") donation campaign for hospitalized children in France.
- **From January 17 to February 27**: Carrefour supported the *Boîtes à bonheur* ("Happy Boxes") donation campaign in aid of French non-profit Secours Populaire.
- **From February 9 to February 20**: Carrefour supported the victims of the earthquakes in Turkey and Syria with the French Red Cross and its partners in the international Red Cross and Red Crescent movement.
- **From February 21 to March 12**: Carrefour took part in the *Restos du Cœur* national collection drive in France.
- **From June 13 to July 16**: Carrefour took part in the 12th *Boucles du Cœur* collection drive in France.
- **August 24**: Carrefour joined forces with Secours Populaire for its *Journée des oubliés des vacances* to give disadvantaged children the chance to go on holiday.
- **September 14**: Carrefour supported the victims of the earthquake in Morocco in partnership with the *Banque Alimentaire*.
- **September 18**: Carrefour launched the Carrefour Solidarity employee engagement programme.

Teams and employees

- **January 30**: In partnership with GymLib, Carrefour France offered its employees free access to more than 300 sports and wellness activities in over 4,000 partner facilities.
- **March 1**: Carrefour launched Carrefour Invest, an international employee share ownership plan open to employees in the Group's eight integrated countries.
- **April 19**: Carrefour made a commitment to women's health at work, notably by granting 12 additional days' leave each year to women suffering from endometriosis.
- **July 28**: Carrefour enhanced the system designed to enable volunteer firefighters among its employees to fight forest fires.

Digitalisation and artificial intelligence

- **March 14**: Carrefour announced the opening of a new virtual store on the Rakuten marketplace, allowing the two partners to bolster their presence in the e-commerce market.
- **April 17**: Carrefour and Uber Eats bolstered their partnership with the nationwide launch of a "full-shop" service and the chance to earn Carrefour loyalty points on Uber Eats.
- **June 8**: Carrefour adopted OpenAI technologies and launched a shopping experience using generative AI to make everyday purchases easier for customers.
- **June 15**: The Carrefour and Publicis groups launched Unlimitail, with 13 founding partners, to tap into the booming retail media market.
- **October 17**: Grocery delivery service Takeaway.com expanded its grocery delivery service in partnership with the Carrefour Belgium supermarket chain.

Energy and biodiversity

- **April 6**: Carrefour Énergies reached the milestone of installing 100 electric vehicle charging points, setting the pace for France's network of charging points.
- **July 21**: In terms of its new water-saving plan, Carrefour undertook to reduce water consumption in its stores in France by 10% by 2025.
- **December 1**: Carrefour teamed up with HysteCo, the European leader in hydrogen mobility, to roll out hydrogen filling stations in the Greater Paris region.

Governance

- **March 23**: The Board of Directors of the Carrefour group aligned its governance with the Carrefour 2026 plan and renewed Alexandre Bompard's term of office ahead of term.
- **August 31**: Alexandre de Palmas was appointed Executive Director of Carrefour France and Elodie Perthuisot, Executive Director of Carrefour Spain.

Highlights of first-quarter 2024

- **January 15**: The Group teamed up with Netflix to launch the Carrefour Plus pilot subscription programme in Rouen and Bordeaux. This is Netflix's first partnership with a retailer. Subscribers receive both a 10% discount on all Carrefour-branded products and a Netflix Standard subscription with ads.
- **January 24**: Carrefour announced the acquisition of 31 former Casino stores in France. These stores represent 94,000 sq.m., or 0.3% of the food retail space in France.
- **January 26**: Carrefour Énergies entered into a partnership with Octopus Energy and pursued its initiatives to support the energy and environmental transition. Through this collaborative venture, Carrefour is able to offer its customers electricity that is ultra-competitive, green and French.
- **March 5**: Carrefour announced its action plan to promote diversity of origins within the Group.
- **March 13**: Carrefour's Board of Directors changed its composition, in particular with the appointment of Eduardo Rossi to replace Abilio Diniz and the recommendation to appoint Marguerite Bérard at the Shareholders' Meeting of May 24, 2024.
- **March 21**: Carrefour launched "Restart", a project accelerator in support of responsible consumption.
- **March 26**: Carrefour announced that it had entered into an agreement to buy back 25 million of its own shares - representing around 3.5% of its capital - from Galfa, a subsidiary of Motier. Following the transaction, Galfa's stake in Carrefour will represent 7.71% of the capital and 13.3% of the voting rights.

  This share repurchase is part of Carrefour's 700 million euro share buyback program for 2024. The Board of Directors of Carrefour unanimously approved the transaction [1] after obtaining the opinion of Cabinet Finexsi on its fairness. The sale price of 365 million euros [2] will be paid over the next few days, and the repurchased shares will be delivered after the ex-dividend date, in the days following the Annual General Meeting on May 24, 2024.

  Galfa has indicated that there will be a six-month lock-up period for its shares in Carrefour, subject to customary exceptions, and that it has decided to extend the maturity of call options on 10 million Carrefour shares until December 2025.

1.1.7 CARREFOUR, PREMIUM PARTNER OF THE PARIS 2024 OLYMPIC AND PARALYMPIC GAMES

For the first time in the history of the Games, a leading food retailer is sponsoring the world's premier sporting event. 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 event through its stores and e-commerce sites, its deep commitment to the Olympic values of dedication, team spirit and self-improvement, and its determination to make the Games simple, sustainable and inclusive. The Group's teams and franchisees are all on board with this major corporate project.

Under the slogan "*Nourrir tous les espoirs*" ("Feeding all hopes"), the partnership involves:

- a **commitment** to supplying fresh, organic produce to the Athletes' Village to prepare meals for the athletes, thereby raising the profile of French products and promoting a more sustainable diet;
- a **brand** project leveraging the values of sport to promote health through food, the value of work, social advancement and inclusion;
- a **commercial** project with a number of promotional highlights. Carrefour is developing exclusive collections for a wide variety of official product families under licence from Paris 2024 (textiles, stationery, back-to-school products, etc.).

The Carrefour Foundation is also committed to providing 150,000 euros per year for two years to support the French Paralympic and Sports Committee's ESMS & Clubs programme, which promotes sport for people with disabilities and aims to increase the number of beneficiaries from 2,000 today to 3,500 by 2025 thanks to 150 additional projects.

To give meaning to and fully embody this partnership, Carrefour has surrounded itself with a team of 17 athletes, including Gilles Anthony Afoumba, a Carrefour employee who will be taking part in the Paris 2024 Olympic and Paralympic Games with the Congolese team. These top athletes all embody the banner's values of performance, healthy eating and inclusion.

Internally, Carrefour has used the Olympic momentum to promote sport among its employees. The banner has motivated its employees by organising a Health in the Workplace Week and a sports competition, the Grand Tournoi.

In addition, since January 2023, all Carrefour employees have had free access to a wide range of sports and wellness activities in the Gymlib network of fitness centres, without the limitations and costs of annual subscriptions.

(1) The directors concerned did not take part in the vote in accordance with the applicable legal provisions.
(2) After deducting approximately 22 million euros corresponding to the dividends on shares sold.

1.2 Trends – global challenges and development opportunities

Societal change, the pressure of environmental emergencies and ongoing uncertainty are fuelling a sweeping transformation of business models inherited from the 20th century. The food retailing industry is being reshaped by numerous paradigm shifts, which have been gaining momentum due to the spate of crises (health, geopolitical, energy) over the past five years. 2023 was marked by the persistence of high inflation and tension on the food supply chain caused by climate change. This has made consumers keen to protect their purchasing power while at the same time looking for food options that are simultaneously good for their health, good for farmers and good for the planet. They increasingly prefer to buy local. This makes it essential to understand and adapt to their changing behaviour and expectations in terms of affordable prices, new eating habits, faster digital transformation of consumption patterns and prioritising of short circuits. It has become more urgent than ever to rethink the food industry model in order to protect limited natural resources, encourage energy efficiency and meet new consumer demands. A global shift towards healthy diets from sustainable food systems would protect the planet and improve the health of billions of people [1]. The food and climate transitions are interconnected and are both major challenges of the 21st century.

1.2.1 ONGOING INFLATION AND IMPACTS ON PURCHASING POWER

Reconciling the duty to provide healthy food with affordability is a global issue. Access for all to quality food in sufficient quantities has been undermined by the disorganisation of global supply chains and the scarcity of resources due to the health and geopolitical environment. Together, these factors sparked an increase in food prices in the last two years. In 2023, 52% of low-income countries, 88% of lower-middle-income countries and 81% of upper-middle-income countries recording rates above 5%, many of them in the double digits. 67% of high-income countries have also experienced high food price inflation. In real terms, food price inflation exceeded overall inflation in three-quarters of the 166 countries studied by the World Bank [2].

2023 was shaped by particularly high inflation in Europe and Argentina, with strong pressure on consumer purchasing power and negative volumes in the Group's main markets. Europe experienced record inflation in the first half, which peaked in the second quarter. Inflation then eased across the board in the third quarter, with consumer prices broadly stable from the start of the summer [3]. 53% of Europeans, regardless of their income, look for ways to save money when shopping (up from 41% in 2022) and 36% want to buy more retailer own brands – with 84% of people believing that they are of similar or better quality than national brands. As a result, the market share of own brands in Europe has increased by an average of 1.9% [4].

In France, households adjusted their purchasing behaviour, turning more to own brands and promotions, but also having to cut back on certain purchases [5]. They have also done more to avoid food loss and waste. All sections of the population are worried about inflation, even the wealthiest. Nearly nine out of ten French people say they are feeling its effects in their daily lives, and 69% believe that the change in their consumption habits will be permanent, even once the period of high inflation is over [6].

The retail industry is playing an active role in the fight against the high cost of living. In March 2023, after consultation with the government, it undertook to launch an "anti-inflation quarter", during which a range of everyday food products was sold at preferential prices. This operation, which began in March, was extended until December 2023.

(1) Source: Summary report from the EAT-Lancet Commission, "Healthy Diets from Sustainable Food Systems", 2020.
(2) Source: Food Security Update, World Bank, November 2023.
(3) Source: Carrefour group financial publications
(4) Source: The State of Grocery Retail 2023, Europe, McKinsey & Company, EuroCommerce for Retail & Wholesale, March 2023.
(5) Source: *Les grandes surfaces alimentaires, Conjoncture et prévisions 2023-2024* (Food retail: current situation and forecasts for 2023-2024), Xerfi, October 2023.
(6) Source: *L'inflation, et après ?* (Inflation, what now?), Toluna & Harris Interactive, April 2023.

1.2.2 DEVELOPING ALTERNATIVE FORMS OF CONSUMPTION

At a global level, the dual objective of the food transition is to meet strong growth in demand while providing the whole population with access to a healthy diet. 735 million people suffer from hunger worldwide, an increase of 122 million people since 2019 [(1)]. In total, almost half of the world's population has a nutrient-deficient diet. Transitioning to the planetary health diet (or a flexitarian diet, i.e., plant-based supplemented with small amounts of fish, meat and dairy foods) could prevent an estimated 11 million premature deaths per year and unsustainable environmental damage [(2)]. Food is emerging as the most powerful way to optimise both physical health and environmental sustainability.

People have become highly aware of the imbalance. Over the past few years, this awareness has brought about new behaviours and an emphasis in developed countries on quality over quantity, taste and authenticity, healthy, seasonal, pesticide-free and environmentally-friendly products, as well as a rise in alternative diets. In addition, through their purchasing decisions, shoppers are expressing a multitude of expectations that extend beyond health issues to cover production conditions, including more local and circular consumption to reduce waste, fair prices on products in order to ensure adequate compensation for farmers, and also concern for animal welfare.

Global surveys [(3)] show that recent crises have not changed these trends. In fact, amid prevailing uncertainty, 63% of consumers worldwide believe food consumption to be a socially conscious act and a means of achieving social goals. A full 71% have changed their eating habits, with 67% opting for a healthier diet comprising healthy products that are all natural or free of additives, colourings and preservatives. Other than health, 48% of those surveyed place a priority on local ingredients and 36% on environmental stewardship. Accordingly, 68% prefer to buy food from their region or nearby, and 59% prioritise products with a low carbon footprint. Almost 50% of consumers want to be informed on what they eat and 56% say they cook more. More than four out of ten consumers are concerned about animal welfare; 39% have reduced their consumption of animal protein or adopted a flexitarian diet since 2020.

In France, people say they are concerned about the impact of their diet on their health. A total of 69% are concerned about the presence of endocrine disruptors, and look for production processes that safeguard the environment and animal welfare. In terms of eating habits, 17% are flexitarians, 10% follow a "free" diet (salt-free, sugar-free, gluten-free, lactose-free) and 7% avoid red meat (vegetarian, vegan, fruitarian, pescetarian) [(4)]. 18-30 year olds have embraced alternatives with even greater enthusiasm: 25% of them are flexitarians, 6% pescetarians, 4% vegans and 4% vegetarians. Some 65% would like to eat a more plant-based diet consisting primarily of fruit, vegetables and pulses, which 78% believe would help prevent certain diseases and be good for general public health [(5)].

1.2.3 THE TRANSITION TO SUSTAINABLE AGRICULTURE

The world's food and agricultural systems face three major challenges as the 21st century gets further under way.

First, demand for food is constantly increasing. UN projections put the global population at around 8.5 billion in 2030 and 9.7 billion in 2050, an increase of 1.7 billion compared with 2022 [(6)]. Due to this population growth and the effects of the Covid-19 pandemic, more than 3 billion people are unable to afford a healthy diet [(7)]. Second, intensive and industrial farming methods have reached their limits, squeezing the planet's resources. This issue includes freshwater use, soil depletion, chemical fertilisers and greenhouse gas emissions. Today, humans use more than 70% of the Earth's ice-free land. One-third of arable land is used to grow feed for livestock and 60% of the grains produced worldwide are fed to animals. About 80% of deforestation is due to agriculture, especially to clear land for soy cultivation in order to feed livestock and for oil palm trees [(8)]. Using more land to produce food is therefore an impossible solution. In fact, current farming methods deplete soil fertility, and productivity decreases as a result. Third, farmers and agricultural workers worldwide are grappling with economic insecurity and vulnerability, especially in low- and middle-income countries.

(1) According to SOFI, the FAO (Food and Agriculture Organization of the United Nations) report on the state of food security and nutrition in the world.
(2) Source: Summary report from the EAT-Lancet Commission, "Healthy Diets from Sustainable Food Systems", 2020.
(3) Source: SIAL Insights 2022 White paper, 2022.
(4) Source: *Baromètre des produits biologiques en France 2023* (Survey on organic products in France, 2023), *Agence Bio and L'Observatoire Société et Consommation, 2023.*
(5) Source: *Les jeunes et la consommation de fruits et légumes* (Young people and fruit and vegetable consumption), Survey for INTERFEL, February 2023.
(6) Source: World Population Prospects 2022: Summary of Results, 2022.
(7) Source: The State of Food Security and Nutrition in the World, FAO, 2021.
(8) Source: ELABE study, *Quelle alimentation en 2049* (Which foods in 2049?), November 2019.

The objective is to provide an ever-growing world population with a healthy diet based on fair and sustainable production systems. To achieve that, a new agricultural revolution is needed, guided by environmental science and systemic innovation, and offering alternative production methods. For example, agroecological practices extend land production potential. Even though their contribution to global production remains limited, these techniques are now becoming increasingly widespread. In 2023, there were 3.7 million organic farmers (up from 200,000 in 1999) in 191 countries. Together, they farmed a total of 76.4 million hectares (11 million in 1999), or 1.6% of the world's agricultural land [(1)]. In France, 60,483 farms were dedicated to organic farming by the end of 2022, representing 14% of farms and 16% of agricultural jobs. As a result, 2.88 million hectares were farmed organically, representing 10.7% of useful agricultural land in France [(2)].

The organic market, worth 12.7 billion euros in France (124.8 billion euros worldwide), is in decline [(3)]. While the number of organic food consumers is decreasing, the real enthusiasts are stepping up their purchases: organic products account for 75% of the food consumed by nearly 25% of daily consumers of organic food, an increase of 10 points compared with 2021. Price remains the main barrier, with 94% of consumers believing that organic products cost more. However, 82% of them also recognise that organic farming contributes to preserving the environment, soil quality and water resources.

The agricultural transition is supported by the people. The Covid-19 pandemic helped bring consumers and farmers closer together. In France, 72% of consumers buy "farm-to-table" food products directly from producers, at farmers' markets, at the farm, online or via cooperatives that protect small-scale farming (AMAP) [(4)]. And even in traditional distribution channels, consumers are paying greater attention to the provenance of their food, especially fruit and vegetables.

1.2.4 CLIMATE CHANGE AND ENERGY EFFICIENCY

Demographics, urbanisation and human activity are causing large-scale climate change that threatens the Earth's natural balance. The sixth Synthesis Report of the Intergovernmental Panel on Climate Change (IPCC) [(5)] states that human-induced greenhouse gas emissions have led to an unprecedented warming of the climate: the global mean surface temperature has increased by 1.1°C compared with pre-industrial levels. Socio-economic scenarios show that global warming will reach 1.5°C by the early 2030s, regardless of immediate efforts to reduce global CO_2 emissions. In 2015, the Paris Agreement sought to limit the increase in global temperatures to "well below 2°C by 2100", with a global goal of less than 1.5°C. To limit global warming to 1.5°C and 2°C, we need to achieve carbon neutrality by 2050 and significantly reduce other greenhouse gas emissions. The IPCC points out that any delay in reducing emissions will exacerbate the negative impacts. Energy savings and lifestyle changes are the key and complementary levers of this transition. Today's consumers better understand the impact of human activity on the planet and call for a less wasteful, more resource-efficient and locally focused model. The Covid-19 pandemic and gas supply uncertainties stemming from the war in Ukraine have contributed to this collective awareness of environmental issues and the benefits of more responsible consumption and lifestyles. Consumers are now working harder to reduce their environmental footprint, prioritising short circuits and adopting solutions offered by retailers, such as recyclable packaging and sustainable products.

The environmental concerns of the French population were 3 points higher than in 2022, and their demand for greater action by public authorities in support of the ecological transition has also intensified. A full 82% of them believe that the fight against global warming should mobilise as many resources as the Covid-19 crisis, and 71% want society to exclusively support environmentally virtuous economic activities [(6)].

1.2.5 THE RISE OF DIGITAL COMMERCE

The growth of food e-commerce has slowed since its unprecedented surge in the wake of the health crisis in 2020, but remains an underlying trend. Between 2022 and 2027, it is projected to grow by 8.6% worldwide, outpacing the 3.7% growth forecast for in-store sales. E-commerce is expected to account for 7.9% of the food market by 2027, up from 6.3% in 2022 [(7)].

Shopping has become an omni-channel experience: consumers shop both in-store and online (using click & collect and/or delivery services). E-consumers also tend to frequent several banners. Different formats and value propositions are thus increasingly likely to co-exist.

(1) Source: The World of Organic Agriculture Statistics and Emerging Trends 2023, Research Institute of Organic Agriculture FiBL and IFOAM – Organics International, 2023.
(2) Source: https://www.agencebio.org/vos-outils/les-chiffres-cles/observatoire-de-la-production-bio/.
(3) Source: The World of Organic Agriculture Statistics and Emerging Trends 2023, Research Institute of Organic Agriculture FiBL and IFOAM – Organics International, 2023.
(4) *Association pour le Maintien d'une Agriculture Paysanne* (French cooperatives that protect small-scale farming).
(5) Source: Synthesis report of the sixth assessment report, IPCC, 2023.
(6) Source: *Sensibilité à l'environnement, action publique et fiscalité environnementale : l'opinion des Français en 2023* (Environmental awareness, public action and taxation: French opinion in 2023), Ademe and Credoc, 2023.
(7) Source: Food and Beverage Sector Report, Edge by Ascential, March 2023.

In search of the best deals, consumers now fragment their purchases, with food e-commerce solutions generally used for larger purchases. However, the click & collect option remains attractive: 25% of French households buy groceries through this channel every month. As the cost of living continues to rise, low-cost own brands have seen an increase in online sales [(1)], and smartphones are becoming an increasingly important tool for managing household expenses. Some 54% of European consumers now use them to compare prices in store, and 88% are more likely to use them to find special offers and promotions than to read customer reviews and comments [(2)].

Artificial intelligence is also having an impact on consumer behaviour. Retailers are adopting generative AI technologies to personalise the online customer experience, with virtual assistants and conversational chatbots to provide advice.

Automation continues to gain ground in warehouses and stores. Essential to the digital transformation of food retail, the European retail automation market is worth 2.5 billion euros and is expected to grow by 13% per year in the coming years to reach an estimated 6 billion euros by 2030 [(3)].

1.2.6 EMPLOYMENT AND INCLUSION

Diversity and inclusion have a central place in today's societies. Inclusion refers to a company's actions to prevent discrimination on the basis of disability, age, origin, gender, sexual orientation, physical appearance, health or social status. The aim is to enable all employees to work in an open environment and to benefit from the same recruitment, training and promotion opportunities, regardless of their profile. In France, discrimination based on disability, physical appearance, perceived origin, sexual orientation and gender identity are the most common forms of discrimination, accounting for more than 80% of cases.

The French feel that action should be taken at all levels of society (individuals, schools, families, companies and non-profits) to promote inclusion, but believe that it is primarily up to people, public authorities and businesses to effect change. While two-thirds of employees consider their company to be inclusive, a quarter claim to have experienced discrimination, an issue which affects a full 34% of employees under 35 and 29% of women. The 18-24 age group is leading the call for companies to play a role in inclusion. Companies do have a role to play in combating social discrimination and reducing inequality, but it is also for their own good. Diversity and inclusion are perceived as a key asset and a vector of innovation and financial performance for any organisation [(4)].

Against this backdrop, diversity and inclusion departments are being set up in major companies. 2022 marked a turning point for Carrefour on D&I issues with the creation of a new Group Diversity and Inclusion Department, which reports to the Engagement Department, a unit positioned at Executive Committee level. It is tasked with implementing policies to promote diversity, both in the workplace and throughout the Group's ecosystem, and to fight all forms of discrimination. A prime example is the implementation of processes to combat sexism through specific training. Carrefour also aims to encourage the employment of people with disabilities and to showcase their uniqueness within its teams. Its approach to recruiting, integrating and retaining people with disabilities is a fundamental part of the Group's human resources policy and overall strategy.

(1) Source: https://www.fevad.com/nielseniq-le-e-commerce-alimentaire-reste-a-un-haut-niveau-en-2023-avec-un-univers-concurrentiel--reconfigure/.
(2) Source: 2023 Digital Trends, Retail in Focus, Econsultancy & Adobe 2023.
(3) Source: The State of Grocery Retail 2023, Europe, McKinsey & Company, Eurocommerce for retail & wholesale, March 2023.
(4) Source: *Les Français et l'inclusion* (The French and inclusion), OpinionWay for APICIL, March 2023.

1.3 Strategy & progress – the Carrefour 2026 plan

The Carrefour 2026 strategic plan has propelled the Group into a new stage of its transformation, rooted in its *raison d'être*, the food transition for all, and its omni-channel Digital Retail Company model.

"Carrefour 2026 is a plan to be on the offensive in markets marked by inflation and climate change. With its new omni-channel model, Carrefour is the best-placed Group to address crises and meet consumers' new expectations. With Carrefour 2026, we are accelerating our transformation by committing ourselves to giving all our customers access to the best, building a cutting-edge Group and consolidating our sustainable growth model."

Alexandre Bompard, Chairman and Chief Executive Officer

The Carrefour 2026 plan has two pillars:

1. **Commitment to making the best available to all our customers**

   To help customers confronted by purchasing power issues and to combat climate change, Carrefour is rolling out the following initiatives:

   - **placing the Carrefour own-brand** at the centre of the retail model, set to account for **40% of food sales by 2026** (vs. 33% in 2022);
   - stepping up the development of discount store formats to hold a total of more than 470 Atacadão stores in Brazil by 2026 (200 more than in 2022) while enhancing the appeal of hypermarkets in Europe using the Maxi method;
   - **supporting sustainable agriculture** to generate 8 billion euros in sales of certified sustainable products [(1)] by 2026 (40% more than in 2022),
   - supporting the Group's **top 100 suppliers** in aligning with a 1.5°C trajectory by 2026, failing which Carrefour commits to delisting them;
   - continuing with **e-commerce initiatives** and the target of 10 billion euros in e-commerce GMV (Gross Merchandise Value) by 2026.

2. **Building a cutting-edge Group**

   To further improve its performance, the Group is innovating in terms of organisation, new businesses and social initiatives:

   - **operational processes are being transformed** through digital developments and an organisational redesign, contributing to 4 billion euros in cost savings by 2026 (i.e., 1 billion euros per year);
   - an **ambitious energy policy** is under way, targeting major energy savings of 20% in 2026 vs. 2019 for the Group (target already reached in France one year ahead of schedule, with a 22% reduction by end-2023), and the generation of nearly 1 TWh of electricity per year from 2027 in France, Spain and Brazil;
   - **a joint venture with Publicis, Unlimitail**, is created with the aim of making it a leading European retail media company;
   - **value enhancement for the Group's real estate assets** is sought through the development of mixed-use real estate projects in France and the creation in Brazil of the largest private property company in South America;
   - the Group's **inclusion approach is being reaffirmed** through a **proactive policy to promote diversity** of origins plus a target of employing **15,000 employees with a disability in 2026** (50% more than in 2022);
   - **the Carrefour Invest employee share ownership plan, open to all employees,** has enabled more than 30,000 of them to become shareholders in the Group. Of the funds raised, 37 million euros will be used to finance environmental and social projects.

   In support of this new value-creating ambition, the Group:

   - increased its annual investment budget to 2 billion euros (from 1.7 billion euros);
   - has targeted net free cash flow above 1.7 billion euros by 2026.

1.3.1 MAKING THE BEST AVAILABLE TO ALL OUR CUSTOMERS

Customer satisfaction is the Group's compass. It is measured based on the three main pillars of trust, service and convenience, which are reflected in Key Performance Indicators (KPIs) such as the Net Promoter Score® (NPS®). The NPS® increased by 4 points in 2023. Thanks to the commercial successes of recent years, the Group has a loyal and rapidly expanding customer base. This is a key reason for continuing our transformation, anticipating new market trends and offering our customers appropriate solutions.

Given the inflationary environment and climate emergency, consumers in 2023 were concerned with maintaining their purchasing power without giving up on healthy and responsible eating. Carrefour acts to shield its customers against crisis conditions by developing its own brands and its discount formats as well as targeted initiatives such as capped prices and anti-inflation baskets. The Group also seeks to lead the way in responsible retailing, through stronger support for sustainable production and commitments on climate and biodiversity.

(1) Organic, Carrefour Quality Lines, agroecology, sustainable fishing (ASC/MSC), sustainable forest sourcing (FSC). See section 2.1 Biodiversity of the Non-Financial Statement.

It responds to present-day challenges with concrete solutions, helped by the digital revolution. Carrefour's commitment on the food transition for all is attuned more closely than ever to its customers' concerns and the changing shape of society.

1.3.1.1 A distinctive and rationalised offering, reflecting our *raison d'être*

Pride of place for own-brand products

Carrefour 2026 objective

Own brands as a proportion of food sales: 40% in 2026, vs. 33% in 2022

The Group aims to make Carrefour-branded products its commercial engine, and to increase their share to 40% of food sales by 2026. Own brands respond to purchasing power constraints while enabling consumers to continue to eat healthily; they are a strategic lever for differentiation and competitiveness. Recognised by customers for their quality, which matches that of national brands, and for their competitive prices, Carrefour's own brands are growing in popularity. The Group is constantly expanding their range to cover all needs.

In 2023, they accounted for 36% of the Group's food sales (a gain of 3 points vs. 2022). The Carrefour brand has been voted favourite retailer own brand for the third consecutive year in France and for the first time in Belgium. The Simpl low price range, which features up to 500 essential everyday items, is also popular.

To support purchasing power, Carrefour France offered an anti-inflation "essentials and nutrition" basket between March 15 and June 15, 2023 containing 200 products from its own brands at capped prices: 100 Simpl brand everyday products (including beauty and personal care products) at an average price of 1.50 euros and 100 healthy Nutri-Score A or B products at an average price of 2 euros.

Carrefour 2026 objective

Reduction of 2,600 tonnes of sugar and 250 tonnes of salt in Carrefour-branded products by 2026 (vs. 2022)

In addition, the Group is improving the composition of its own-brand products to optimise their nutritional profile in all its host countries. Ahead of legislative and regulatory change, Carrefour has been engaged since 2018 on a global campaign aimed at eliminating controversial substances from its product ingredients. Since 2022, 261 tonnes of sugar and 78 tonnes of salt have been removed from the Group's Carrefour-branded products. This endeavour contributes to the goal of reducing volumes of sugar by 2,600 tonnes and salt by 250 tonnes by 2026. Carrefour also provides its customers with detailed nutritional information about its products: information per portion, fibre content, consumption frequency, etc. Since 2019, it has extended the use of the Nutri-Score labelling system – which classifies products according to their nutritional quality – across its product portfolio. It is now used on 7,000 Carrefour-branded products in France and Europe, including the Carrefour Bio and Carrefour Sensation Végétal ranges.

Stronger support for sustainable agriculture

Carrefour 2026 objective

50,000 partner producers by 2026

Because the activities involved in producing and distributing food have a non-negligible impact on the planet and its ecosystems and climate, practices that are more respectful of the environment and biodiversity are essential. Carrefour supports its partners in transforming their production models to improve the sustainability of its supplies. As part of its Act For Food programme launched in 2018, Carrefour offers producers in its Carrefour Quality Lines and its organic and agroecological lines in France preferential contractual terms in exchange for more responsible practices [1].

Always listening to its customers, Carrefour is expanding the scope of Act For Food. In 2018, the offer that best reflected consumption trends was the organic range. The Group has become a leader in this segment in the space of five years. Today's expectations go beyond organic food, extending to short circuits, local sourcing and a host of other quality approaches such as *Reflets de France* local products or *Label Rouge* quality products. Carrefour has set itself the goal of increasing the number of producers it supports in these areas to 50,000 (including 7,000 organic producers) by 2026, reasserting its position as the leading partner of the agricultural world. In 2023, the Group had 46,013 partner producers, 4,997 of whom were organic in France, Romania and Argentina [2].

The food transition for all

Carrefour 2026 objective

€8bn in sales of certified sustainable products by 2026 (up 40% vs. 2022)

The Group is continuing its endeavour on quality food for all by expanding its fresh food offering, which is one of the priorities of the Carrefour 2026 plan. By 2026, Carrefour plans to double its supplies of fruit and vegetables from ultra-short circuits (within 50 km of the store) in Europe. In addition, local stores opened under the Potager City banner in city centres in France in 2023 (see 1.3.1.2). They offer city dwellers quality fresh products at the right price, and up to 100 references on more than half of the store's sales area, a large part of which is reserved for seasonal products.

(1) See 2.4 Methodological note.
(2) See 2.4 Methodological note.

The Group aims to become the European leader in certified sustainable products, by achieving sales of 8 billion euros in certified sustainable products, which includes certified food and non-food organic products, Carrefour Quality Lines committed to an agroecological approach, sustainable fishing (ASC-MSC), paper and wood products with PEFC and FSC certification, and products with environmental certification such as EU Ecolabel. Carrefour has already made progress: in 2023, sales of certified products totalled 5.3 billion euros, an increase of 6% year-on-year (5.1 billion euros in 2022) (1).

In 1998, Carrefour also became the first retailer in France to sell Malongo coffee, which is sourced from small producers and is a benchmark for fair trade. Other Max Havelaar®-certified brands – including Alter Eco, Ethiquable and Lobodi – have gone on to find a place on Carrefour shelves through international partnerships. In 2023, sales of fair trade products totalled 123 million euros in Carrefour stores around the world. The fair trade range generated more than 1.9 million euros in premiums for cooperatives, on top of the fair purchase price paid to producers. The proceeds were used to fund initiatives ranging from scholarships and water purifiers to schools and maternity clinics.

To measure progress in the food transition, Carrefour has set itself the target of obtaining a minimum score of 75/100 in customers' responses to the question "Does Carrefour help you eat better?" In 2023, the survey revealed a score of 63/100.

Support for more responsible consumption trends

Carrefour 2026 objective	
€650m	**in sales of plant-based alternatives by 2026**

60% of consumers believe they can make a difference through their purchasing choices. Echoing environmental concerns, the Group empowers customers to shape the future for sustainable consumption and healthy products by enabling them to join active national communities (in Spain and in France since 2020). Carrefour also raises awareness among its e-commerce customers throughout France by displaying the environmental impact of their online orders in terms of the corresponding volume of CO_2 they represent. In addition, the annual *Les champs des rencontres* event in France allows customers to visit Food Transition Pact partner farms to learn about responsible farming techniques. In 2023, four visits were organised to vegetable and pulse farms in Aube and Haute-Garonne, to a soy farm near Toulouse and to a dairy farm in Mayenne.

95% of French people want businesses to become more involved in recycling. In 2023, Carrefour France installed its first recycling kiosks for products that are generally not recycled. Customers who hand in used products receive vouchers ranging from 50 euro cents to 15 euros. All of the waste is then collected by TerraCycle. This initiative, which is unique to Europe and jointly led by five partner brands (BIC for pens, DIM for tights and stockings, Hasbro for toys, Philips for razors and toothbrushes, Tefal for frying pans and saucepans), provides a novel solution for products that many people think are difficult to recycle.

Carrefour is also continuing to roll out its fully vegetarian own brand. With over 100 products, Carrefour has the most comprehensive range of own-brand vegetarian and vegan products. Its range of "-free" products (gluten-, lactose-, etc.) is also growing. In 2023, the Group's sales of plant-based alternatives totalled 514 million euros in Europe, and the target is 650 million euros by 2026. To encourage as many partners as possible to support this objective, Carrefour has formed a coalition with seven major industrial partners (Danone, Unilever, Bel, Andros, Bonduelle, Nutrition & Santé and Savencia) committed to achieving 3 billion euros in sales of plant-based alternatives by 2026, through a set of joint initiatives. In order to showcase products made with plant proteins and encourage their consumption, Carrefour France held its first "Plant Tasting Week" in February 2023, offering tastings and discount vouchers in its stores.

Carrefour 2026 objective	
€300m	**in sales of bulk products and goods sold in reusable packaging in 2026**

To support customers wishing to reduce single-use packaging, Carrefour is rolling out bulk and reusable packaging extensively in its stores, a solution that is winning over a growing number of consumers. In 2023, bulk and reusable packaging sales represented 256 million euros.

1.3.1.2 Omni-channel, a unique service proposition

Carrefour had a global sales network of nearly 15,000 stores in more than 40 countries at the end of 2023. The Carrefour 2026 plan is stepping up the Group's transformation into a benchmark-level omni-channel universe, enhancing the appeal of its stores through the Maxi method, opening new discount formats, tightening the network of convenience stores, developing e-commerce, filling out the service offering, and developing integration between online and in-store shopping.

(1) Sales of national brand products with "sustainable fishing" and "sustainable forest" labels are not currently taken into account and will be added to the calculations in 2024.

The Group's multiple formats, along with its digital developments, form a unique ecosystem capable of delivering a personalised customer experience. In addition to their traditional function in off-the-shelf self-service shopping, stores are conceived as keystones of an omni-channel Carrefour universe, as preparation centres and points for picking up goods, or, indeed, returning them for reimbursement, etc. The aim is to offer customers a seamless experience, enabling them to shop in various complementary ways, such as online ordering in different store formats, online ordering for pick-up from a Drive location or home delivery, a simplified in-store shopping experience thanks to digital services, development of merchant and financial services, etc. By tying together physical stores with digital services, Carrefour develops closer interaction with its customers in all purchasing situations, providing an efficient, accessible shopping experience, a unique relationship and personalised benefits.

Determined to develop this competitive advantage, Carrefour has a goal of having 30% of its customers using omni-channel solutions by 2026 (up from 11% in 2021) and is enriching its omni-channel ecosystem with its apps, more personalised offers, better consumption solutions and the digitisation of all services, catalogues, receipts, coupons and vouchers.

Accelerated deployment of discount formats

At a time of high inflation, Carrefour is upgrading its hypermarkets and supermarkets developing discount formats to address today's purchasing power challenges.

Heightened appeal for hypermarkets and supermarkets, through the Maxi method

Carrefour intends to strengthen its role as a bulwark against inflation by deploying the Maxi competitiveness and productivity method gradually implemented in France in all of its hypermarkets and supermarkets. The method is based on better operational efficiency, with an offer focused on defending purchasing power and refocusing each store on the key needs of customers in its catchment area. In 2023, the Maxi method was rolled out in a growing number of hypermarkets and supermarkets, spurring productivity improvements in the stores concerned.

The Maxi method is an adapted and simplified food offer, with a data-driven redefinition of product assortments, enhanced visibility and availability for the Carrefour brand and entry-level prices, with suitable packaging. The aim of this measure is to make the shelves easier to navigate, to encourage more purchases and to simplify operations, from inventory management and logistics flows to simpler shelving, with products presented on pallets and more "ready-to-sell" packaging. In the In & Out areas, non-food items will be promoted through a range of trendy everyday products at very affordable prices. In 2023, Carrefour had 1,328 In & Out spaces in its hypermarkets. Its aim is to increase this number to 3,600 by 2026.

The number of European hypermarkets also increased with the takeover of the Louis Delhaize group's activities in Romania (10 Cora hypermarkets and 9 Cora Urban stores integrated in October 2023) and the announcement of the acquisition of the Cora and Match banners in France (60 hypermarkets and 115 supermarkets). This major transaction will consolidate Carrefour's leadership in food retailing in France at a time when quality external growth opportunities are scarce. The Group also announced the takeover of 31 former Casino stores in January 2024.

Accelerated expansion for Atacadão in Brazil

Carrefour 2026 objective

Over 470 Atacadão stores in Brazil in 2026 (200 more than in 2022)

The Brazilian cash & carry chain Atacadão is the Group's fastest growing discount format in recent years. Atacadão offers a wide range of food and non-food products at wholesale prices, presented on palettes and sold either by the unit or in large packages, a convenient and low-cost model that addresses both trade customers and individuals.

In a context of ongoing inflation, Atacadão offers concrete answers to cost of living challenges. The Group is therefore pushing ahead with its expansion, notably with plans to convert 40 hypermarkets to the Atacadão and Sam's Club banners by 2026 (20 in 2024). The conversion of BIG stores is also helping to drive organic growth. By 2026, Carrefour aims to have more than 470 Atacadão stores in Brazil.

In 2023, the Group completed the conversion of Grupo BIG stores six months ahead of schedule, adding 79 stores to the Atacadão banner. The newly converted stores are growing rapidly, and the Group aims to generate synergies of 2 billion Brazilian reals by 2025.

Carrefour also plans to pilot the Atacadão banner in France, with a first store due to open in Greater Paris in 2024.

Extension of Supeco in Europe

Carrefour is also investing in other discount formats with the development of the Supeco banner, notably in Spain, based on the soft discount supermarket model. The Supeco network reached 130 stores at the end of 2023 with the aim of reaching 200 stores by 2026.

Supeco is committed to reducing the cost of living for all customers. In 2023, the banner launched an ultra-low-cost offer for students, giving them a 10% discount on presentation of their student card, every day of the week and with no minimum purchase. Supeco also provided them with a comprehensive "basket" of quality food products for less than 20 euros, equivalent to five days' worth of groceries.

Closer reach for the local network

Carrefour 2026 objective	
2,400	**convenience store openings by 2026 (vs. 2022)**

Convenience formats are another source of Carrefour's strength. Between 2018 and 2022, they enjoyed rapid growth in all operating countries, with nearly 3,500 openings over that period. Given the growth potential of this format, Carrefour is continuing expansion here, targeting 2,400 new convenience stores by 2026 (an average of 600 new stores per year), mainly through franchising, with a focus on European countries.

In France, the Carrefour City and Express in-town banners make for highly convenient everyday shopping, even in outlying urban districts, while in rural areas Carrefour's Market, Proxi and Contact banners give good local reach nationwide. In 2023, this network was extended under the Potager City banner, a local fresh produce format (see 1.3.1.1). The first three stores – ultra-specialists in fresh products but with standard supermarket prices – opened in Paris in March 2023. In this way, Carrefour is putting an emphasis on taste, providing a wide range of products, ultra-fresh produce and short circuit options purchased directly from producers heading to or coming from Rungis.

In Spain, Carrefour has signed an agreement to acquire 47 supermarkets and convenience stores in the Madrid, Catalonia, Andalusia and Valencia regions. It plans to convert them to the Carrefour Market, Carrefour Express and Supeco banners. The transaction should be completed before the end of the first half of 2024, allowing the Group to consolidate its position and diversify its store network in Spain.

The Group is also extending its local network in Eastern Europe. In Romania, Carrefour completed the acquisition of nine Cora Urban convenience stores as part of its agreement with the Louis Delhaize group. The Group also announced the arrival of the Carrefour brand and products in Bulgaria through the extension of its partnership with Greek franchisee Retail & More: 20 stores in the Bulgarian Parkmart network will be converted to the Carrefour Market and Carrefour Express banners in 2024.

Unique e-retailer offering and ecosystem

Carrefour 2026 objective	
€10bn	**in e-commerce GMV (Gross Merchandise Value) by 2026**

In addition to its multi-format store network, Carrefour also seeks market differentiation by strengthening its e-commerce and services offering.

E-commerce activity remained dynamic in 2023, driven by Latin America and France. Carrefour continued to win customers, posting a total e-commerce GMV of 5.3 billion euros (up 26% vs. 2022). E-commerce recurring operating income improved significantly in 2023 in line with the objectives set at the Digital Day.

In a reflection of the Group's digital and data-driven culture, solutions have been implemented to better serve customers. An example is the anti-inflation button, which uses artificial intelligence to suggest cheaper equivalent products than those customers select. In addition, the Group has embraced generative artificial intelligence to enhance the customer experience. Carrefour launched the "Hopla" chatbot on carrefour.fr in June 2023, marking the first foray of ChatGPT's technology on a retailer's website. Hopla's role is to help customers with their day-to-day shopping. It can help them put together baskets of products to suit their budget or dietary requirements, or come up with meal ideas. It also features anti-waste solutions. More than 5,000 Carrefour-brand product data sheets have also been enriched using OpenAI technology and posted online on carrefour.fr in order to provide customers with more information. Eventually, Carrefour will use this technology for all product sheets.

Home delivery services also expanded in every Group country in 2023. As the market leader in this segment, Carrefour offers a diversified array of services to meet all use cases across the consumer spectrum, whether on its own channels or on the best marketplaces.

In France, Carrefour is consolidating its leading position in the home delivery segment through its Carrefour *Livré Chez Vous* and its Carrefour *Livraison Express* services, with a 31.6% share of the market in 2023 (up 3.4% vs. 2022). Carrefour is staying one step ahead on UberEats, Deliveroo and Jow, with more than 2,000 stores connected to at least one of these platforms. Carrefour has also continued to develop new services in 2023: non-food partnership with Rakuten, Carrefour loyalty card and launch of Carrefour XL on UberEats and click and collect via Deliveroo.

Internationally, Carrefour is also confirming its home delivery expertise through its own services and with its long-standing partners (UberEats/Cornershop, Glovo, iFood, etc.) and more recent ones (Mercado Libre in Latin America, Just Eat Takeaway in Belgium and Italy). All the Group's host countries, both integrated and managed under Master Franchise agreements, now provide customers with an e-commerce solution.

The Group also continues to innovate in a large number of other areas: Catalogues have been digitised, direct-to-fridge delivery is available, autonomous vehicles are now used for delivery, and the Carrefour app has been upgraded to put "all of Carrefour under one roof", etc.

Non-food e-commerce has not been left out. Carrefour is increasing the number of its marketplaces, specific features such as payment in instalments and extended warranties, and sales events around Black Friday. The offer combines major brands and own brands, with a selection of exclusive products sold directly or by third-party vendors on the marketplace. The experience is designed to be omni-channel: customers can view detailed information online, and select home delivery or in-store collection. Carrefour is also strengthening its digital business by opening virtual stores on leading marketplaces, such as Mercado Livre in Brazil and Rakuten in France.

The Group confirms its objective, announced at Digital Day, of 10 billion euros in e-commerce GMV by 2026 and a 200 million euro increase in recurring operating income from e-commerce activities in 2026 versus 2021.

Carrefour's digital strategy is also an integral part of the Group's social and environmental responsibility approach. Carrefour is aiming for carbon neutrality of its e-commerce activities by 2030 (i.e., a neutral impact from click to delivery), ten years ahead of the Group's overall target set for 2040 [1].

Fuller range of services

Carrefour is enriching its omni-channel model with a range of services (Drives, home delivery, express delivery) designed not only to attract new customers but also to retain them. The Group is extending this range using digital technology to integrate it into the shopping process, leveraging customer data to better target commercial operations and control the cost of risk.

To reach 30% omni-channel customers, Carrefour will be using powerful personalisation and loyalty mechanisms, along the lines of Carrefour Spain's unique loyalty programme and its attractive subscription offer, whose customers account for almost 70% of sales. Two of the Group's key customer loyalty drivers are customer cards through omni-channel programmes and development of promotions and personalised advertising.

Carrefour has introduced new services, such as the installation of solar panels for individual customers and the supply of green power contracts. Several second life initiatives have also been launched, notably through the collection of multimedia products in certain stores or online.

The Group will continue to develop its everyday services to step up their growth.

Financial services are also part of Carrefour's digital strategy, in the B2C and B2B segments alike. New solutions were introduced in 2023, including in-store "buy now, pay later" offers and products aimed at seniors. The Group has partnered with MoneyGram, a world leader in peer-to-peer money transfers, to open several hundred MoneyGram counters in stores in its main host countries in Europe and Latin America. They allow Carrefour customers to send money to their loved ones in more than 200 countries and territories, securely and almost instantly. In France, Carrefour launched the Purchasing Power Guarantee, which offers its customers four insurance packages to cover their mandatory expenses in the event of an unforeseen loss of income.

1.3.1.3 Carrefour, a leader in responsible retailing

To combat global warming, Carrefour is reaffirming and intensifying its commitments in support of the climate transition. Within its sector, the Group has built strong credibility on these matters, as a forerunner in the development and rigorous monitoring of a CSR and Food Transition process, visible in its stores through its successful Act for Food programme. Its Engagement department, formed in 2022, is tasked with concrete pursuit of the Group's ambitions on the environment, diversity, inclusion and solidarity. As a result, Carrefour's non-financial ratings are among the best in the industry worldwide, with the integration of DJSI World, and a 3-point upgrade from Moody's. Carrefour has also maintained its AA rating from the MSCI agency and its Prime C+ rating from Oekom ISS. The Carrefour 2026 plan intensifies the Group's initiatives across the board to involve its entire ecosystem, including suppliers.

A stance against waste

The Group is helping to fight all forms of waste and promote the circular economy.

Carrefour 2026 objective	
50%	**reduction in food waste by 2025 (vs. 2016) [2]**

Carrefour is committed to reducing in-store food waste in line with the Consumer Goods Forum's goal of reducing food waste by 50% by 2025 (vs. 2016). As well as improving inventory management at its stores, Carrefour also takes steps to limit the volume of unsold food products: spotlighting items that are approaching their use-by date, transforming damaged fruit and vegetables for a second life, partnering with start-ups to sell unsold products (Too Good To Go), etc. To avoid products being thrown out when they are still consumable, the Group is working with its suppliers to review or extend use-by and minimum

(1) The action plan is differentiated according to emission sources: emissions generated by products marketed through e-commerce, emissions generated by customers travelling to stores to pick up their Drive order, emissions generated by last-mile transport, emissions generated by downstream transport to supply e-commerce sites. See 2.1.4 Climate.
(2) See 2.4 Reporting methodology

durability dates. It also optimises food donations by partnering with food banks in most of its host countries. The food donated in 2023 represented the equivalent of 48 million meals. For unsold food that can no longer be eaten, Carrefour uses biomethane recycling channels.

In France, Carrefour was the first retailer to obtain the national "anti-food waste" label in March 2023, awarded for its Montesson hypermarket. This label, valid for three years, recognises responsible practices in the sourcing and purchasing of food from suppliers, the marketing of food in stores and the management of unsold items and donations. By the end of 2023, ten hypermarkets and four supermarkets had obtained the national "anti-food waste" label.

Carrefour 2026 objective	
100%	reusable, recyclable or compostable packaging by 2025
20,000	tonnes of packaging avoided by 2025 (cumulative since 2017)
100%	of waste recycled by 2025 (1)

To lead the way in circular economy endeavours, Carrefour is taking up more resource-efficient practices, such as waste recovery, ecodesign and recycling of plastic packaging, which is a major source of marine pollution. By 2025, the Group is committed to recovering 100% of its in-store waste through recycling or the production of green energy, and to ensuring 100% of its own-brand product packaging is reusable, recyclable or compostable. At the end of March 2023, Carrefour France installed recycling kiosks in the car parks of six of its stores, where customers can drop off used products that are not considered recyclable (frying pans, tights, pens, toothbrushes) in exchange for a voucher. The collected waste is taken care of by TerraCycle. This solution, which combines circular economy and purchasing power support, is a first in Europe.

Under its Zero Plastic Challenge, the Group has cut out 20,000 tonnes of packaging, reaching this target two years ahead of schedule in 2023. The wide range of innovations here include brown paper and organic cotton bags in the fruit and vegetable section, and brown paper bags at cost price (9 euro cents) at checkouts, and widespread take-up of bulk goods and reusable packaging.

In France, Carrefour aims for 80% of catalogues to be digital by 2024, and 100% by 2026. Carrefour is stepping up responsible sourcing and developing collection, resale and rental services to support the circular economy. In France, 130 stores have a deposit system for returning containers.

Clear commitment on climate and biodiversity

Carrefour 2026 objective	
50%	reduction in Scope 1 and 2 GHG emissions by 2030 and 70% reduction by 2040 (vs. 2019)

In line with the goals set in 2015 by the Paris Agreement (COP21), Carrefour raised its objectives in 2021 to limit climate change, setting itself the goal of achieving carbon-neutral stores by 2040 (across Scopes 1 and 2) and achieving carbon-neutral e-commerce activities by 2030. These targets for integrated stores (Scopes 1 and 2) are aligned with a trajectory consistent with a 1.5°C scenario. Taking into account direct and indirect greenhouse gas (GHG) emissions across Scopes 1, 2 and 3 combined, the Group's commitments are aligned with a trajectory consistent with a "well below 2°C" scenario and have been validated by the Science Based Targets initiative. This objective was confirmed in 2023.

Ecosystem mobilisation against climate change

Carrefour 2026 objective
Top 100 suppliers aligned with a **1.5°C trajectory** by 2026 and **20 mega tonnes of CO_2 emissions** saved by 2030 (2)

The Group is determined to extend its climate transition responsibility beyond its scope and involve its entire ecosystem in this endeavour.

The Carrefour 2026 plan invited the Group's 100 largest suppliers to take up the 1.5°C trajectory for 2026. In what is an unprecedented commitment for the retail sector, Carrefour undertakes to delist suppliers who do not meet this condition by the end of the announced period. At the end of 2023, 44% of the Group's Top 100 suppliers were aligned with a 1.5°C trajectory and 947,000 tonnes of CO_2 had been avoided.

(1) See 2.4 Methodological note.
(2) See 2.4 Methodological note.

The Group is developing climate partnerships with its most advanced suppliers in this respect. In 2023, Carrefour strengthened its collaboration with Bel Group through an unprecedented 360° agreement to promote healthy and sustainable food for all and to contribute to preserving the climate. The agreement, which came into force on February 1, includes both economic and environmental objectives, which provide for monitoring the carbon footprint of Bel products at Carrefour.

Carrefour 2026 objective	
500	**suppliers committed to the Food Transition Pact by 2030** (1)

Carrefour has also created the Food Transition Pact, which commits the Group and its partner suppliers to the Food Transition for All, in order to fundamentally transform the food system on five priority issues: packaging, biodiversity, healthier choices, healthier products and the climate. Open to all Group suppliers, the Food Transition Pact provides a platform for sharing best practices and discovering new opportunities for working together. At the end of 2023, 306 suppliers were members of the Food Transition Pact.

Combating deforestation and preserving biodiversity

Carrefour 2026 objective	
100%	**of sensitive products with regard to forests, animal welfare, soils, marine re sources and human rights covered by a risk mitigation plan by 2030** (2)

Carrefour leads the way in biodiversity protection, and for several years now the Group has been running a wide-reaching programme targeting all sensitive raw materials (3). Carrefour also spearheads the fight against deforestation, as with the Group's 2010 commitment, at the Consumer Goods Forum (CGF), to the goal of zero deforestation.

Carrefour put an end to the systematic printing of checkout receipts in all stores back in 2021 and is continuing its work to digitalise its catalogues. To help preserve the environment, the Group offers its loyalty card or Pass card holders the option of receiving their receipt directly on the Carrefour mobile app or in their online customer space. This initiative is part of a broader approach to combat deforestation, with customers already able to consult promotions, catalogues, store vouchers and their monetary rewards balance online.

In March 2022, the Group announced the launch of a system of full traceability for cattle farming in Brazil, and committed to ensuring that Carrefour-branded beef from Brazil would be guaranteed "deforestation free" by 2026. By this date, the Group will have withdrawn from all at-risk areas and will have delisted any direct livestock farm located in these areas. This commitment will be extended to other brands sold in Carrefour stores by 2030. The Group has also announced the creation of a Forest Committee in Brazil, made up of industry experts and Group executives, to intensify its efforts to combat deforestation at national and international scale. Carrefour set up an anti-deforestation fund, coupled with a 10 million euro investment to finance projects that contribute to the preservation of biodiversity.

The Group also signed up to the Science Based Targets for Nature programme, which guides organisations in setting ambitious science-based targets for climate and nature. As part of this process, an initial mapping of the Group's impacts and dependencies on diversity was performed *(see Section 2.1.2 Biodiversity)*.

Carrefour is also committed to animal welfare. Reflecting this, the Group has confirmed that all fresh eggs marketed (own brand and national brand) will come from cage-free hens in 2025, with 62.8% sourced in this way in 2023.

Social responsibility initiatives

Carrefour is asserting itself as a leader in responsible retailing, through solidarity initiatives run at all its locations.

The Carrefour Foundation supports solidarity initiatives in mainland France and in French overseas departments and territories and in the Group's other host countries. In 2023, it supported 77 projects, including ten through its *Ensemble pour la Transition Alimentaire* (Together for the Food Transition) call for projects, designed to provide local and regional support to non-profits.

For the end of 2023 alone, the Group offered 1 million additional meal equivalents to its partner organisations. Carrefour's support for them goes back a long way and includes:

- donations of food from warehouses, in-store collections. In 2023, the equivalent of 31.4 million meals were distributed in France and 48 million at Group level;
- donations of non-food products. These amount to 3,832 tonnes or 8,353,231 products;
- financial patronage, through its Foundation, which notably supports the purchase of essential products.

In 2024, Carrefour plans to continue its action in favour of food for all and to focus the Carrefour Foundation on the fight against food insecurity among the most vulnerable.

(1) See 2.4 Methodological note.
(2) See 2.4 Methodological note.
(3) Sensitive raw materials include palm oil, wood and paper, Brazilian beef, soy, cocoa, products from responsible fishing and aquaculture, and certain textile raw materials (cotton, wool, cashmere).

The Group & France Solidarity Unit works closely with the Group's partner associations. Stores and employees get involved in their initiatives and make philanthropic contributions in the public interest.

Through a variety of initiatives such as food drives, product-sharing operations and in-store donations, Carrefour's support extends to food banks (in all countries), Action Against Hunger (Italy), the Red Cross (Spain, Romania and Poland), Pink Ribbon (Italy and Belgium), Açao da Cidadania (Brazil), and Unicef (Argentina), etc.

In France, Carrefour launched a strengthened, multi-channel partnership in January 2023 for the *Pièces Jaunes* campaign, which it has supported for 20 years. For the 16th consecutive year, the Group also supported the *Restos du Cœur* national collection in March and responded quickly to its appeal in early September, with an exceptional donation of products.

Emergency aid

Supporting charities providing emergency relief represents a key part of part of Carrefour's international activity.

In 2023, following the earthquakes in Turkey and Syria, Carrefour France launched a cash collection campaign for the French Red Cross. In Morocco, Carrefour supported the victims of the earthquake in partnership with *Banque Alimentaire*. The Carrefour Foundation also came to the aid of the victims, with an exceptional donation for the purchase of essential foodstuffs.

1.3.2 BUILDING A CUTTING-EDGE GROUP

Innovation has been a key feature of the Group's history and culture since it was founded in 1959. With the Carrefour 2026 plan, the Group is building on this pioneering spirit to launch a number of initiatives that are unprecedented in European Retail: simplifying its organisation, extending franchising, stepping up actions on social inclusion and upward mobility, developing new business lines through the optimisation of its digital and real-estate assets, and materialising its energy production potential.

1.3.2.1 A simpler and more efficient organisation

Carrefour 2026 objective

Transformation of operating processes to generate cost savings of €4bn euros by 2026 (vs. 2022)

Working from its two key geographical regions of Europe and Latin America, Carrefour will be building a simpler and more efficient organisation capable of generating savings to enhance its competitive performance and innovation. Through the in-depth transformation of its geographical organisation, purchasing and processes, the Group aims to achieve savings of 4 billion euros by 2026.

Optimised geographical footprint

The Group continues to rebalance its geographic footprint under excellent conditions. In 2023, the Group finalised the sale of Carrefour Taiwan to Uni-President, the integration of Grupo BIG in Brazil and the acquisition of the Louis Delhaize group's activities in Romania. Carrefour also announced the major acquisition of the Cora and Match banners in France, which is expected to close in the summer of 2024. Carrefour is refocusing and strengthening its operations in its two key markets, Europe and Latin America, where the Group generates 74% and 26% of its sales and has approximately 12,197 and 1,587 stores respectively. This geographical optimisation opens considerable pooling potential, especially in Europe. Carrefour's new organisation, operational since 2023, boosts competitive performance in all of the Group's host countries, especially the smaller ones, which will be reducing their head office costs and benefiting from a much richer Group expertise, yielding considerable advantage over local competitors.

Maximising operational synergies

Carrefour 2026 objectives

Pooling of purchases by 2026:
Over 50% in fast-moving consumer goods (FMCG)
Over 30% in fresh produce
Over 70% in non-food items

Carrefour began stepping up purchase pooling in Europe in 2023. The pooling of the Group's direct purchasing has gained momentum in Europe with Eureca, the single European purchasing agency for major international FMCG suppliers, now fully operational and delivering its first optimisation benefits. The four suppliers integrated in 2023 are fully operational, and a new wave of around 15 additional suppliers is planned for 2024. The objective is to bring on board around thirty suppliers by 2025 and to reach more than 50% of bulk purchases by FMCG by 2026 (up 50 pts).

For fresh produce, the target is 30% of bulk purchases (up 20 pts) by 2026, by strengthening the capacities of the Socomo central purchasing unit for imported fresh produce.

Non-food, own-brand and national/international brand purchases will also be optimised through a centralised European organisation and business model, targeting 70% of pooled purchases by 2026 (a 50 pt increase).

Purchases of goods not for resale are also pooled at European scale on the basis of common specifications.

The pooling and digitalisation of expert and support functions

Under the Carrefour 2026 plan, organisation is to be simplified across the Group. In Europe, the Group's expert and support functions are pooled: the former (tech and data, financial services) to win the talent war and strengthen the Group, and the latter (human resources, finance) to optimise performance. Expertise centres, to centralise talent, are being set up across Europe, at the most appropriate locations (such as the Eureca purchasing centre in Madrid), enabling country teams to focus on their core business of commerce. This new organisation involves head-office staff reductions, to which each country is contributing. Headquarters will be refocused on core functions such as brands, strategy and legal. In 2023, the pooling of central functions at European level was implemented rapidly. Central support functions continued to be reorganised and optimised, particularly in France.

Carrefour is also continuing its overhaul of operational processes using digital solutions. In business and support processes, all functions are concerned: assortment, pricing and internal processes. More than 80% of the national FMCG assortment is defined using automation. Systems using artificial intelligence are in place for adapting the offer to the store's catchment area and for optimising promotional catalogues. In 2023, Carrefour stepped up the implementation of artificial intelligence (AI) solutions, which had a positive impact on operations. The new assortment builder solution leveraging AI helped to improve the relevance of the number of assortments while improving profitability. The promo optimiser tool was launched in France and enabled sales teams to use algorithms to optimise promotions and their margins. Carrefour has also started to use GenAI in its internal purchasing processes. A solution is being developed to support the indirect purchasing teams in their day-to-day tasks, such as comparing cost estimates and analysing contracts.

The supply chain and store operations are also central focuses of the digital transformation. We are making progress across the entire chain, from supplier to store shelves, including warehouse mechanisation, control of lorry loading rates, planning of delivery rounds, automated forecasting and management of store orders and inventories, etc. The "easy prep" application developed in-house modernises order preparation for our warehouse pickers, using voice recognition together with an intuitive interface. Some 3,700 pickers are already using this service in around 30 warehouses.

The Group is also planning to set up innovative "tech centres" to serve all the Group's geographies efficiently, starting with Europe.

Lastly, via its Dastore venture capital fund, Carrefour has invested in 13 start-ups in four verticals: e-commerce and future of grocery, fintech, impact, and data and tech for operations. The solutions of more than half of these start-ups are being rolled out at Carrefour, and the most recent among them are being tested. Apart from its investments and leveraging the Dastore ecosystem, Carrefour has set up a large number of partnerships with start-ups to develop new retail solutions around data, artificial intelligence, in-store operations, cybersecurity, environmental impact, omni-channel customer experience and internal processes.

1.3.2.2 A central place for franchising

Carrefour 2026 objective
Entry into ten new markets by 2026

Franchising is at the heart of Carrefour's economic model. They benefit from the Group's expertise in food and non-food retailing, its well-known brands and banners, broad product assortment and business methods, as well as its quality, health and safety standards. There are two models: lease management contracts and standard franchise contracts. Under lease management, Carrefour owns the business and the managing tenant is responsible for running it. This is the most common model for hypermarkets and non-integrated supermarkets. The second model is the standard franchise, in which the franchisee owns the business, either alone or in association with Carrefour. Lease management contracts are renewed every year, while franchise contracts have a longer term, averaging seven years. The bulk of Carrefour's remuneration for these two types of contracts comes from its activity as supplier to these shops, supplemented by the collection of fees and, in the case of lease management, rent paid for the business.

By the end of 2023, the Group will have 8,865 franchised stores in the eight countries where Carrefour operates directly (including 5,336 in France), representing 72% of stores in these countries. Carrefour's franchisees and managing tenants play a key role in the Group's development and performance. Accordingly, it attaches particular importance to open dialogue and to providing these partners with quality services and support. The Group aims to strengthen this model by placing it at the heart of its operations. Franchising represents a relevant solution for all Carrefour formats, including certain hypermarkets, where lease management has proven its effectiveness.

Since 2018, 90% of shop openings in Europe have been on a franchise basis. The Group will be sustaining this expansion in Europe, and will continue converting stores into franchise and lease management contracts, based on objective performance criteria and an annual assessment. In France, Carrefour continued to transform the way its stores are operated; the 16 hypermarkets and 25 supermarkets planned for 2023 were switched to franchise/lease management contracts. The Group plans to convert a further 16 hypermarkets and 21 supermarkets to lease management in 2024.

The Group is also present in more than 30 other countries through franchise partnerships. In 2023, the Group gained footholds in three new markets, namely Mongolia, Israel, and Bulgaria. A new partnership in the Czech Republic has been announced for 2024. Between 2022 and 2026, the Group aims to open 10 new markets through international partners, mainly in Central Europe, Africa, the Middle East and Latin America.

Carrefour aims to strengthen dialogue, service and quality of assistance to franchisees, whose contribution is constantly increasing. The Group will be inventing its future with its franchisees, drawing inspiration from the best practices they develop and involving them more often in its strategic decisions, especially with regard to merchandise, marketing and supply-chain projects.

1.3.2.3 Development of new professions

Inventing the Group of tomorrow also means opening up to new professions, to reap the full value of the Group's assets: data, real estate and energy production potential.

Ambition to become European leader in retail media

Carrefour's valuable proprietary data, spanning 10 billion transactions and 80 million customers worldwide, stands as the best Data & Retail Media offering in Europe. The Group was quick to measure the potential of this activity, and to develop it, launching in autumn 2021, the Carrefour Links platform, which enables Carrefour's partner companies to conduct marketing campaigns throughout the Group's online universe and to measure their real impact from ad to purchase.

Following the success of Carrefour Links, the Group announced its partnership with sector expert Publicis to create a joint subsidiary, Unlimitail, 51% owned by Carrefour, which aims to become a leader in European retail media. Leveraging both Publicis's advanced technologies and Carrefour's knowledge and expertise in retail media, Unlimitail aims to cover the entire retail media value chain, from inventory creation to the comprehensive marketing of solutions to advertisers and retail websites in Europe and Latin America.

The Group is aiming to become an "Audience Hub" capable of operating media services on behalf of other companies.

Unlimitail, whose launch was announced at VivaTech in June 2023, already had 13 business partners at that date representing 120 million customers and 1.5 billion page views per month worldwide. Unlimitail has announced its first five media partnerships (*Le Figaro*, JCDecaux, DOOH, M6, France Télévisions and Brut), underlining its commitment to offering a comprehensive and integrated approach to retail media. With Unlimitail, Carrefour's digital transformation has taken on a new dimension, opening access to a market with very high growth potential. This new initiative should help Carrefour to meet its target of a 200 million euro increase in recurring operating income by 2026 (vs. 2021).

Roll-out of urban transformation projects

Carrefour 2026 objective	
€500m	**in value creation through urban transformation projects in France by 2030**

With its extensive real estate portfolio, Carrefour has a high profile in the urban fabric of the countries where it operates. As well as seeking to maximise the value of these assets and repositioning its commercial assets for the years to come, the Group has an important role to play in urban planning.

In France, Carrefour has identified a hundred or so sites that could be transformed into housing, offices, stores or leisure areas. As part of the Carrefour 2026 plan, the Group is committed to completing 100 urban diversity programmes by 2026, including the creation of 25,000 housing units over a total surface area of 1.5 million sq.m., creating 500 million euros' worth of value by 2030. In 2023, the Group partnered with Nexity for example to create the Villes et Commerces property venture to unlock value from a total of 76 Carrefour sites across France. These 76 sites represent approximately 800,000 sq.m.; their development should allow for the creation of 12,000 housing units, 120,000 sq.m. of retail space, including the reconstitution of certain stores, 10,000 sq.m. of office and activity space, and 17,000 sq.m. of hospitality space. The conversion of the 76 sites is expected ultimately to generate almost 70% of the target of 500 million euros in value creation. The property venture began its operations with the contribution of a first group of 69 sites by Carrefour. The remaining sites will be contributed over the first half of 2024.

In Brazil, Carrefour intends to bring its Carrefour, Atacadão and Grupo BIG real estate assets together within a private real estate company. Carrefour plans to open its capital to minority real estate partners to support its future development and seize opportunities to create value.

An ambitious energy transition policy

Carrefour 2026 objective

- **Double investments between 2023 and 2026 to reduce energy consumption**
- **Reduce energy consumption by 20% by 2026 (vs. 2019)**

One of the cornerstones of Carrefour 2026 is to extend the Group's operations to the energy sector to become a player in the energy transition, and contribute to finding solutions to the crisis. This ambition is twofold: to reduce the Group's energy consumption and to become a solar energy producer.

At a time when it is vital to save energy, Carrefour has doubled its investments to reduce its energy consumption, increasing them to 200 million euros per year from 2023 to 2026. The aim is to achieve a reduction of 20% at Group level by 2026 – and in France by 2024 (achieved in 2023) – in line with the targeted 27.5% reduction by 2030.

In 2023, in line with its 2022 commitment to energy savings with the signing of the EcoWatt and Ecogaz Charters, Carrefour undertook to reduce water consumption in its stores in France by 10% by 2025 – the equivalent of 40 Olympic swimming pools.

The Group is also offering new sustainable mobility options. It has partnered with HysetCo, the European leader in hydrogen mobility, to roll out five hydrogen refuelling stations in the Greater Paris region by the summer of 2024. These stations, which will be open to the public 24/7, will significantly expand the Greater Paris hydrogen distribution network and provide fuel for private and commercial vehicles.

The Group has also set itself the objective of bringing theoretical generating capacity to 1 TWh per year from 2027 onwards in France, Spain, and Brazil. Carrefour has selected a number of partners to produce solar power in France and has also begun the selection process to find operators in Spain.

1.3.2.4 Strengthening inclusion

To fulfil its ambitions, the Group counts on its employees worldwide. As one of the largest private employers in many of the countries where it operates, Carrefour bears a considerable social and societal responsibility. The Group's Engagement department, formed in February 2022 to carry through its societal ambitions, includes a Diversity and Inclusion unit.

Carrefour 2026 objective

Minimum employer recommendation score of 7.5/10 awarded each year by teams

Promoting diversity within the Group

Since its creation, Carrefour has been committed to reflecting and integrating the social diversity of the areas where it operates. "Promoting diversity" is one of the three objectives of "Growing and moving forward together", the first pillar of Carrefour's managerial and cultural programme, Act for Change. Carrefour made an early commitment to promote diversity by signing a Diversity Charter in 2004, aimed at giving everyone, in every country, the same opportunities in career development and hiring. In 2022, after last year's signing of the LGBT+ Commitment Charter with *L'Autre Cercle*, a leading non-profit working for the inclusion of LGBT+ people in the world of work, Carrefour strengthened its commitment to LGBT+ inclusion in 2023 by signing a partnership with *Fondation Le Refuge* to help and support young LGBT+ people excluded from employment. The Group is also strengthening awareness-raising activities among its teams and customers to ensure that differences are respected so that all can advance within the Company without discrimination or prejudice, regardless of sexual orientation or gender identity.

In March 2023, the Group also launched a unique survey in France, asking its employees, on a completely anonymous and voluntary basis, about their backgrounds and origins, in order to gain an overview of the diversity of its workforce and to pursue a proactive policy of promoting diversity of origins and minorities in management positions. On the basis of this survey, to be repeated in 2026, the Group announced the implementation of an action plan in March 2024 to promote diversity of origin within the Group, with the aim of changing the face of the Company by 2026.

In the latest GEEIS Diversity audit conducted by Bureau Veritas, the Group also achieved the maximum score of 5/5 at corporate level, reflecting its commitment to diversity.

Disability

Carrefour 2026 objective	
15,000	**employees with a disability on payroll by 2026**

More than 20 years after signing its first agreement on the employment of people with disabilities in French hypermarkets, Carrefour remains committed to this issue, and included disability as a major cause in its Carrefour 2026 strategic plan. Carrefour has set the goal of increasing the number of employees on payroll with a disability from 13,358 in 2023 (4.3% of the workforce) to over 15,000 by 2026.

In 2023, Carrefour intensified its initiatives for people with disabilities. Two years after introducing quiet hours, i.e., times of day when noise and visual disturbances are kept to a minimum in stores, the Group reaffirmed its commitment to customers with an autism spectrum disorder by equipping trolley handles in its hypermarkets with store plans to help them find their way around. A "quiet zone" to allow them to escape the hustle and bustle at any time is being trialed in hypermarkets with fitting rooms.

Carrefour's first accessible store in France opened in December 2023. The Group aims to extend this model to ten French hypermarkets and around 50 convenience stores in Paris by the summer of 2024. The accessible store in the Paris suburb of Villeneuve-La-Garenne was designed to overcome the five main barriers faced by customers with disabilities: checkout, navigating the store, ease of purchase, digital accessibility and the range of products adapted to their needs. Carrefour's initiatives include a disability reception desk to welcome customers as soon as they enter the store, adapted equipment to optimise the shopping experience, guide strips on the floor to make it easier for customers to get around, a range of non-food products adapted for customers with disabilities (learning toys to develop motor skills, telephones with large buttons, audio books, etc.). These initiatives complement existing measures such as quiet hours, French sign language lessons and quiet areas. Each store will be able to implement one or more initiatives based on the needs identified by customers.

Carrefour has also organised a major innovation competition with VivaTech to promote the inclusion of people with disabilities in its stores. The accessible solutions proposed by the three winning start-ups are being tested in the laboratory hypermarket before being rolled out in Villeneuve-la-Garenne. Carrefour has also announced that more than 800 stores in France will soon be stocking products from *Café Joyeux*, a supportive and inclusive company that trains and employs people with cognitive or mental disabilities. Lastly, the Group has announced its support for the French Paralympic and Sports Committee, with the creation of a partnership aimed at financing the ESMS & Clubs programme, which helps to develop sporting activities for people with disabilities throughout France.

Gender equality

Carrefour 2026 objective
Women to account for 35% of Top 200 managers by 2025 (1)

At December 31, 2023, the Group employed 168,043 women, together representing 55% of its workforce. Numerous systems are accordingly in place to ensure gender equality within the Group. They include equal pay policies, access to training for all and arrangements facilitating the work-life balance (pooled work schedules (2)). Carrefour gives priority attention to support and training for all women employees and managers, through specific leadership programmes (individual coaching, mentorship), with a view to improving gender balance in all Group management positions. This policy has enabled Carrefour to increase the proportion of women in all management positions. At the end of 2023, 29% of the Group's Top 200 managers and more than 30% of the Group's Executive Committee were women.

Carrefour France launched a major initiative for women's health in the workplace by granting 12 days of paid leave per year to employees suffering from endometriosis, as well as three days after a miscarriage and one day for medically assisted procreation. These measures came with an extensive internal awareness campaign on women's health.

1.3.2.5 Strengthening the Group's cohesion

Social advancement

Carrefour 2026 objective
At least 50% of employees provided access to training every year

Upward mobility through work is one of the values that has driven Carrefour's development since the outset. One in two new managers in the Group started his or her career as an employee before being promoted internally.

(1) See 2.4 Methodological note.
(2) Work schedule pooling is a voluntary system offering employees the possibility of organising their own working hours, in consultation with their colleagues and according to the workload plan prepared by their section manager. Since 2010, a collective agreement has offered the system to all Carrefour hypermarket checkout staff, to support a better work-life balance and serve customers' best interests.

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The Group's Leaders School, an internal training school for high-potential employees, is a driving force for upward mobility. The scheme was launched in Argentina and Spain in 2018 before being rolled out to many of the Group's countries in 2021: France, Poland, Italy, Romania and Belgium. It promotes diversity and professional equality at Carrefour, enabling employees to progress to management positions, managers to become divisional heads and divisional heads to become Directors. To accelerate access to management positions, in 2022, Carrefour announced it would be doubling the number of graduates from the School for Leaders, from which 5,000 new employees will have graduated by 2026.

Training

Carrefour is set on a world-leading position in digital retail, through a strategy based on a data-centric, digital-first approach, presented at Digital Day. In all Group countries, programmes are organised to help employees to understand and embrace digital culture. To support everyone in their transition to the jobs of the future and new ways of working, 100% of the Group's employees will receive digital training by 2024 through the Digital Retail Academy, supported by Google. Since the programme's launch, 240,000 employees have been trained. Beneficiaries include store and warehouse employees in France, Italy and Spain with the Tous Digital serious game, and head office staff with data skills improvement programmes (data green belt).

The internal social network Workplace, launched in 2022, which promotes Carrefour's community spirit and the sharing of best practices, has been rolled out in France, Belgium, Spain, Romania and Italy. It was extended to Poland, Argentina and Brazil in 2023, thereby covering all of the Group's employees.

The employee share ownership plan

Carrefour has a strong employee relations model, which thrives through a firmly rooted culture of dialogue and the existence of agreements on all relevant matters, from working conditions to pay. To further develop this model and directly involve all employees in the Group's success and value creation, Carrefour launched the Carrefour Invest employee share ownership plan for its 335,000 employees on March 1, 2023.

This popular, secure and committed plan reflects Carrefour's desire to give its teams a stake in the Company's performance on special terms and to enable them to help the Company achieve its CSR commitments by financing social and environmental projects. The offer enabled more than 30,000 employees to become shareholders in the eight countries where the Group operates. In Brazil, over 3,000 employees participated in a specific local offer of Carrefour Atacadão shares.

1.3.3 A COMPETITIVE VALUE-CREATING MODEL

Working from its strengthened business model and ambitious development projects, Carrefour has set itself the objective of continuing market share gains in its key geographies throughout the duration of the Carrefour 2026 plan, in order to ensure steady growth. To maintain this degree of competitive performance, the Group is continuing with its savings plans. Carrefour has demonstrated its ability to control its business model and achieved its annual cost savings objective of 1 billion euros, with 1,060 million euros in 2023.

This growth dynamic, combined with an optimised business model and the synergies expected from the integration of Grupo BIG in Brazil (including an EBITDA target of 2 billion Brazilian reals for 2025), continued in 2023 and will contribute to growth in EBITDA and recurring operating income.

Increase in annual investments

To implement the Carrefour 2026 strategic plan, the Group is increasing its annual investments objective to 2 billion euros per year (from 1.7 billion euros). This capital expenditure (CapEx) envelope is also doubling the amount allocated to energy transition projects to 200 million euros (from 100 million euros previously), and supporting roll-out of the Maxi method in all European stores (with approximately 50 million euros added to the annual store remodelling budget). It also includes 600 million euros allocated to the Group's digital transformation, as announced at the 2021 Digital Day. In 2023, the Group invested 1,850 million euros.

A powerful and resilient profile

The Group considers its strong balance sheet a key asset given the current macroeconomic context and the changes under way in the industry. It therefore wishes to maintain a Solid Investment Grade credit rating for the duration of the plan.

The cash generated will enable a cash dividend to be paid each year, with annual growth of at least 5%. In 2023, this growth was 55%. At the same time, the Group is continuing its share buyback policy initiated in 2021 with annual programmes. In 2023, the programme of 800 million euros in share buybacks was achieved as planned.

The Carrefour 2026 plan therefore stands as a value-creation plan for all the Group's stakeholders, and in particular for its shareholders, now also including employee shareholders who have joined the Carrefour Invest plan.

On completion of this strategic plan, Carrefour will have a more powerful and resilient model, largely owing to:

- strong growth dynamic across the existing store base, and expansion of discount formats;
- competitive performance boosted by the reach of its digital and omni-channel model;
- a business model built around powerful, recognised and distinctive private label products;
- a leading role in the food transition for all;
- a presence in new adjacent businesses;
- significant advances in terms of inclusion and cohesion;
- a stronger financial profile thanks to strong increases in recurring operating income and net free cash flow.

1.4 Business model – stakeholders and activities

1.4.1 SUMMARY OF THE BUSINESS MODEL

Digital Retail Company

Carrefour laid out its Digital Retail Company model at the Digital Day event of November 9, 2021. This strategy, rooted in a "data-centric, digital first" approach, has four key focuses: increasing e-commerce activity, ramp-up of Data & Retail Media activities, digitalisation of financial services, and digital-driven transformation of traditional retail operations, contributing to improved customer experience and heightened operational efficiency, both at head offices and in-store. In 2023, Carrefour was quick to adopt and implement the new opportunities offered by generative artificial intelligence.

Our business model

Through its physical and intellectual capital, Carrefour leverages its business model to create value for its stakeholders and make a positive contribution to society. Carrefour sells products and services for consumers and food services professionals. In all its host regions, this process includes the direct or indirect purchasing of products, definition of specifications for the Group's own-brand lines, organisation of supply logistics and management of physical and online stores.

1.4.2 CREATING SHARED VALUE

Carrefour supports the 17 Sustainable Development Goals (SDGs) that were set by the United Nations at its conference in Rio de Janeiro in 2012 to meet the urgent environmental, political and economic challenges facing the world. It is also a member of the UN Global Compact. The Group's objectives, particularly those associated with its CSR and Food Transition Index, are aligned with these priority SDGs.

1 - NO POVERTY

Contribution to the SDGs

→ Deploy food assistance initiatives to avoid unsold food going to waste and support food banks and charities. In 2023, the Group donated the equivalent of 48 million meals.

→ Bring about a responsible food transition through the Carrefour Foundation.

Group targets

→ Help bring about a responsible food transition by harnessing sustainable and responsible agriculture, waste reduction initiatives and community action (Carrefour Foundation).

2 - ZERO HUNGER

Contribution to the SDGs

→ Reduce food waste by taking action in three areas: in-store actions (Too Good To Go), collaboration with suppliers (review of best before dates and the longevity of over 400 Carrefour products) and raising awareness among consumers ("Zero waste" events).

Group targets

→ Halve 2016 levels of food waste by 2025.

→ Generate €8 billion in sales from products certified as sustainable (up 40% since 2022) [1].

3 - GOOD HEALTH AND WELL-BEING

Contribution to the SDGs

→ Ensure products sold in stores are nutritional, displaying a Nutri-Score label to help consumers make healthy, balanced choices regardless of their dietary requirements.

→ Put in place a set of standards and procedures to guarantee the quality and conformity of products sold.

→ Guarantee the well-being of all employees in the workplace.

Group targets

→ Ensure the quality and safety of all Carrefour products.

→ Deploy a Healthier Eating action plan in 100% of operating countries.

→ Remove 2,600 tonnes of sugar, 250 tonnes of salt and an additional 20 controversial substances (bringing the total to 120 overall since 2018).

4 - QUALITY EDUCATION

Contribution to the SDGs

→ Promote the recruitment of interns and work-study students, especially in disadvantaged communities.

Group targets

→ Recruit 15,000 people with disabilities by 2026 (up 50% since 2022).

→ Train 100% of employees to use digital technology by 2024 through the Digital Retail Academy.

5 -GENDER EQUALITY

Contribution to the SDGs

→ Promote diversity, in particular by signing the Diversity Charter in 2004. It formalises our pledge to offer everyone, no matter where they work, equal opportunities related to career development and recruitment. Within this framework, the Group promotes gender equality and the integration of people with disabilities and of all ethnicities, combatting everyday discrimination and bullying.

Group targets

→ Ensure that 35% of people in the top 200 management positions are female by 2025.

→ Maintain maturity levels in all countries according to GEEIS guidelines.

6 - CLEAN WATER AND SANITATION

Contribution to the SDGs

→ Raise awareness among, train and monitor suppliers in the textile industry about the efficiency and management of processes using water and chemicals through the "Clean water project" launched in 2016.

→ Reduce the use of pesticides (organic farming and agroecology) and develop products certified as environmentally friendly (EcoLabel).

Group targets

→ Onboard and train 100% of people working at production facilities operated by key textile suppliers to work on improvement plans.

→ Engage 100% of Carrefour Quality Lines in agroecology by 2025.

7 - AFFORDABLE AND CLEAN ENERGY

Contribution to the SDGs

→ Improve stores' energy efficiency and expand the use of renewable energies.

→ Reduce greenhouse gas emissions generated by the Group's operations and encourage all stakeholders, especially suppliers, to transition to a low-carbon model.

Group targets

→ Achieve carbon neutrality for stores by 2040 (% reduction in greenhouse gas emissions - scopes 1 and 2: 30% by 2025, 50% by 2030 and 70% by 2040).

→ Achieve carbon neutrality for Group e-commerce activities by 2030.

8 - DECENT WORK AND ECONOMIC GROWTH

Contribution to the SDGs

→ Promote social and ethical purchasing criteria through our procurement policy and business relations. Carrefour sets procurement rules and integrates social, environmental and ethical standards in its business relations. The Group ensures human rights are upheld at every step of its supply chains and promotes fair pay for all, through fair trade, long-term partnerships and initiatives such as *C'est qui le patron* ? (Who's the Boss?).

→ Promote human and labour rights, as well as the health and safety of employees and subcontractors.

Group targets

→ Carry out social audits on 100% of supplier facilities located in high-risk countries.

9 - INDUSTRY, INNOVATION AND INFRASTRUCTURE

Contribution to the SDGs

→ Support our suppliers through long-term, tripartite contracts (organic suppliers and Carrefour Quality Lines).
→ Promote innovation, particularly related to the food transition.

Group targets

→ Sign up 500 suppliers to the Food Transition Pact by 2030.

10 - REDUCED INEQUALITIES

Contribution to the SDGs

→ Make our products available to as many people as possible.
→ Make organic, agroecology and local products more accessible.
→ Participate in the food transition by donating unsold goods.
→ Focus on food as a priority through the initiatives carried out by the Carrefour Foundation.
→ Promote the employment of people with disabilities.
→ Develop a proactive policy to promote diversity of origins.

Group targets

→ Generate 40% of sales from Carrefour-brand products by 2026 (vs. 33% in 2022).

11 - SUSTAINABLE CITIES AND COMMUNITIES

Contribution to the SDGs

→ Use convenience stores to promote integration in town centres.
→ Deliver goods to large urban areas using a fleet of trucks powered by biofuel and obtain vehicle noise certifications.

Group targets

→ Reduce CO_2 emissions from downstream transport by 20% compared to 2019.

12 - RESPONSIBLE CONSUMPTION AND PRODUCTION

Contribution to the SDGs

→ Ensure products sold in store bring about a food transition for all by supporting local suppliers and responsible policies (organic farming and other environmental certification) , as well as guaranteeing transparency for all consumers.
→ Reduce the volume of waste produced by Group operations and ensure its recovery.

Group targets

→ Halve 2016 levels of food waste by 2025.
→ Generate €8 billion in sales from products certified as sustainable (up 40% since 2022)[1].
→ Deploy 8 key animal well-being objectives in all Group operating countries by 2025.
→ Guarantee the transparency and traceability of Carrefour products.
→ Package 100% of Carrefour-brand products using reusable, recyclable or compostable material by 2025.
→ Recover 100% of waste from stores by 2025.
→ Increase the number of partner producers to 50,000 (up 11,000 since 2022).
→ Distribute 80% of catalogues in France in a digital format by 2024.

13 - CLIMATE ACTION

Contribution to the SDGs

→ Reduce greenhouse gas emissions generated by the Group's operations and encourage all stakeholders, especially suppliers, to transition to a low-carbon model.

Group targets

→ The Group's targets have been approved by the Science Based Target initiative:
• Halve greenhouse gas emissions (scopes 1+2) by 2030 and achieve a 70% reduction by 2040 (since 2019).
• Cut greenhouse gas emissions generated by products sold in stores by 20 Mt compared to 2019.
→ Double the proportion of fruits and vegetables sourced through ultra-short supply chains in Europe.
→ Expand bulk sales and reuse [2] to €300m by 2026.
→ Urge the top 100 Carrefour suppliers to adopt a trajectory in line with the 1.5°C scenario by 2026, otherwise they will be delisted.
→ Reach €650m in sales of plant-based alternatives.

14 - AQUATIC LIFE

Contribution to the SDGs

→ Help further sustainable fishing practices by developing a more sustainable range of seafood and fish products.

Group targets

→ Source 50% of Carrefour-brand fish sold from sustainable sources by 2025 (Carrefour branded products and national branded products).
→ Eliminate 20,000 tonnes of packaging by 2025 (since 2017) including 15,000 tonnes of plastic.

15 - LIFE ON LAND

Contribution to the SDGs

→ Help expand sustainable farming by developing a range of organic and agroecological products and supporting suppliers through long-term partnerships.
→ Develop a risk mitigation plan by 2030 for 100% of products that affect forests, animal wellbeing, land, marine resources and human rights.
→ Reduce the environmental impact of facilities.

Group targets

→ See goals 6 and 12.
→ Generate €8 billion in sales from products certified as sustainable by 2026 (up 40% since 2022).
→ Deploy a sustainable forest action plan on products linked to deforestation by 2026 (beef from Brazil, palm oil, wood and paper, soy, cacao, paper packaging, textile fibres, etc.).
→ Ensure that zero deforestation is caused by Brazilian beef by 2026 by withdrawing from high-risk regions and delisting all farms located in these areas.
→ Ensure zero deforestation is caused by national-brand beef by 2030.
→ Obtain the BREEAM certification for 100% of newbuild shopping centres andexpansions exceeding 2,000 sq.m in France, Spain and Italy.

16 - PEACE, JUSTICE AND STRONG INSTITUTIONS

Contribution to the SDGs

→ Combat corruption.

Group targets

→ See goals 14 and 15.

17 - PARTNERSHIPS TO ACHIEVE THE GOALS

Contribution to the SDGs

→ Carrefour works with its stakeholders to develop all its action plans. The Group is part of the Consumer Goods Forum. As such, it plays an active role in coalitions focusing on soy, wood and paper, palm oil, beef and plastics.

Group targets

→ Sign up 500 suppliers to the Food Transition Pact by 2030.
→ Increase the number of partner producers to 50,000 (up 11,000 since 2022).

[1] Organic, Carrefour Quality Lines, agroecology, sustainable fishing (ASC-MSC), sustainable forest sourcing (FSC).
[2] The target has been re-evaluated at €300m of sales versus the original €150m to take into account reuse sales in addition to bulk sales.

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1.4.3 DESCRIPTION OF OUR BUSINESS

1.4.3.1 An international omni-channel retailer

Carrefour has been opening stores under its banners in France and abroad for more than 60 years. It currently operates in Metropolitan France and its overseas territories, as well as in Europe, Latin America, Asia, the Middle East and Africa through a network of integrated and franchised stores, and stores that it runs with partner companies.

In 2023, Carrefour opened or acquired 1,347 stores under Group banners, representing some 1,033,000 sq.m. of gross additional sales area. As of the end of 2023, Carrefour had 14,930 stores under its banners in more than 40 countries.

In 2023, Carrefour's sales including VAT (before the impact of IAS 29) amounted to 94.132 billion euros, an increase of 9.3% at constant exchange rates. This increase is attributable to the following:

- a 10.4% increase in same-store sales excluding petrol and calendar effects;
- a positive contribution of 1.6% from expansion and changes in scope;
- a negative 2.5% petrol effect;
- a negative 0.2% calendar effect.

After taking into account a negative currency effect of 5.7%, mainly due to the devaluation of the Argentine peso, sales at current exchange rates were up by a total of 3.5%. Overall, recurring operating income totalled 2,264 million euros and represented 2.7% of net sales.

In 2023, cash flow from operations totalled 3.943 billion euros, compared with 3.753 billion euros in 2022 [(1)]. Investments (capex) amounted to 1.850 billion euros in 2023, compared with 1.861 billion euros in 2022. In 2023, net free cash flow amounted to 1,622 million euros compared with 1,262 million euros in 2022.

France

In France, Carrefour group had 6,035 stores under its banners at end-2023, in five formats: 253 Carrefour hypermarkets (including 150 integrated, 84 franchised and 19 via partners in overseas territories), 1,037 Carrefour Market supermarkets (including 232 integrated, 759 franchised and 46 via partners), 4,561 convenience stores under banners such as Carrefour City, Carrefour Contact, Carrefour Express, Bio c' Bon, etc. (including 123 integrated, 4,315 franchised and 123 via partners), 151 cash & carry stores under the Promocash banner (including 145 franchised and 6 via partners) and 33 franchised soft discount stores (Supeco).

In Metropolitan France, the share of franchised stores within the network therefore represented 35.9% for hypermarkets, 76.6% for supermarkets and 97.2% for convenience stores. Carrefour is also present in the French overseas territories through long-standing partnerships. A total of 194 stores are operated under Group banners in the French overseas territories.

In 2023, Carrefour opened or acquired 288 stores under Group banners in France, including two supermarkets, 276 convenience stores, seven cash & carry stores and three soft discount stores, representing a total of approximately 60,000 sq.m. of gross sales area.

Net sales totalled 38.2 billion euros in France. Like-for-like growth was 4.7%, including a 6.0% LFL improvement in food and a 4.9% decline in non-food. Hypermarkets were up 4.1% in like-for-like sales excluding petrol and the calendar effect, whereas supermarkets enjoyed a 4.7% LFL increase and other formats (mainly convenience stores) gained 6.5% LFL.

Recurring operating income increased by 18.5% (154 million euros) to 988 million euros, for an operating margin that represented 2.6% of net sales, an increase of 37 bps on the 2022 figure. This increase reflects a strong sales performance and excellent cost-cutting dynamics in a highly inflationary environment.

In France, operational investments amounted to 724 million euros, representing 1.9% of sales.

Other European countries

In Europe (excluding France), Carrefour had 6,162 stores operating under Group banners at the end of 2023. These included 469 hypermarkets, 2,139 supermarkets, 3,445 convenience stores, 12 cash & carry stores and 97 soft discount (Supeco) stores.

Carrefour operates stores in five integrated countries: Belgium, Spain, Italy, Romania and Poland. In these countries, the integrated store network comprises 1,432 stores (426 hypermarkets, 617 supermarkets, 280 convenience stores, 12 cash & carry stores and 97 soft discount stores (Supeco)), while 3,527 stores are operated by franchises (12 hypermarkets, 649 supermarkets and 2,866 convenience stores). Finally, in Europe, Carrefour also operates through franchise partnerships in Greece, Andorra, Turkey, Georgia and Armenia, with a total of 1,203 stores under its banners: 31 hypermarkets, 873 supermarkets and 299 convenience stores.

Over the year, Carrefour opened or acquired 508 stores under Group banners, gaining approximately an additional 229,000 sq.m. of gross sales area. These included 19 hypermarkets, 217 supermarkets, 264 convenience stores and 8 soft discount stores.

Net sales in Europe totalled 23.7 billion euros in 2023, an increase of 4.2% at constant exchange rates. Like-for-like gross sales excluding petrol and calendar effects were up by 5.5%.

Recurring operating income remained stable at 604 million euros for the year, compared with 606 million euros in 2022, for an operating margin of 2.6%. Spain posted growth of 14%, while operating profit in Italy, Belgium and Romania was close to the 2022 level, while Poland recorded a decline in profitability.

(1) Restated for Carrefour Taiwan.

Present in Spain since 1973, the Group had a local multi-format network of 204 hypermarkets, 153 supermarkets, 1,054 convenience stores and 63 soft discount stores at the end of 2023. In 2023, net sales totalled 10.9 billion euros. Like-for-like sales were up 5.8% over the year, with strong growth in all formats.

Present in Italy since 1993, Carrefour manages a local store base comprising 42 hypermarkets, 418 supermarkets, 1,018 convenience stores, and 12 cash & carry stores. In 2023, net sales totalled 3.9 billion euros. Italy reported like-for-like growth of 3.1% for 2023, driven by improved customer satisfaction, particularly in terms of price competitiveness.

In Belgium, Carrefour is the most multi-format group, with 40 hypermarkets, 349 supermarkets and 318 convenience stores. In 2023, net sales totalled 4.2 billion euros. After a difficult year in 2022, Carrefour is reaping the rewards of its recovery strategy, with a strong NPS increase, market share gains and volume growth. Driven by these factors, like-for-like gross sales increased by 9.0% LFL.

In Romania, where Carrefour has been present since 2001, the Group operates 56 hypermarkets, 192 supermarkets, 171 convenience stores and 28 soft discount stores. In 2023, net sales totalled 2.6 billion euros. Net sales maintained positive momentum, up 7.0% like-for-like, spurred by the success of commercial campaigns.

Carrefour has been operating in Poland since 1997, with 96 hypermarkets, 154 supermarkets, 585 convenience stores and 6 soft discount stores. Net sales totalled 2.1 billion euros in 2023. Net sales edged down 0.6% like for like, amid strong pressure on consumer purchasing power and a high comparison basis owing to the war in Ukraine.

Operational investments in Europe (excluding France) totalled 439 million euros in 2023, representing 1.9% of sales.

Latin America

Carrefour has been operating in Latin America since opening its first store in Brazil in 1975 and has become one of the continent's leading retailers. Carrefour is expanding its banners in two growth markets: Argentina and Brazil. The network comprises 1,587 stores, including 223 hypermarkets, 212 supermarkets, 631 convenience stores, 387 cash & carry stores, 83 soft discount stores (Supeco) and 51 Sam's Club stores.

Net sales in Latin America totalled 21.4 billion euros, an increase of 23.5% like-for-like, driven by inflation in Argentina. Recurring operating income totalled 763 million euros in 2023, compared with 1,005 million euros in 2022 (down 24.1% at current exchange rates and up 10.3% at constant exchange rates), mainly due to the integration of Grupo BIG in Brazil. The operating margin therefore stood at 3.6%. Recurring operating income in Brazil fell by 26.9% to 668 million euros. This decline was mainly due to the integration of Grupo BIG, with non-recurring integration costs of around 80 million euros, and the loss of around 110 million euros realised by converted stores in the months following their reopening. Converted stores traditionally make a loss during the ramp-up phase. Recurring operating income in Argentina totalled 96 million euros (vs 92 million euros in 2022), including a negative impact of 92 million euros due to the application of IAS 29.

In Brazil as of end-2023, Carrefour operated a network of exclusively integrated stores: 143 hypermarkets, 124 supermarkets, 174 convenience stores, 361 cash & carry stores, 83 soft discount stores (Supeco) and 51 Sam's Club stores. Net sales in Brazil totalled 19.3 billion euros. Like-for-like sales were slightly down, by 1.3%, in a difficult market environment shaped by food deflation in the second half of the year.

Carrefour has been operating in Argentina since 1982 with a local store base comprising mainly integrated stores: 80 hypermarkets, 88 supermarkets, 457 convenience stores, and 26 cash & carry stores. Net sales totalled 2.1 billion euros. Like-for-like gross sales rose by 151.9%, excluding petrol and calendar effects, reflecting a further rise in volumes and significant market share gains in a hyperinflationary environment. Recurring operating income and operating margin also improved, on the back of excellent sales momentum and continued cost discipline. The recurring operating margin increased by 138 bps to 4.5%.

Operational investments in Latin America amounted to 683 million euros in 2023, representing 3.2% of sales.

Asia

On June 30, 2023, Carrefour announced the completion of the sale of its 60% stake in Carrefour Taiwan to Uni-President for approximately 1 billion euros. This operation completes the Group's refocusing on its two key markets, Europe and Latin America.

Other regions

In addition to the French overseas departments and territories, Europe and Latin America, Carrefour also operates 1,146 stores with franchisee partners elsewhere in the world (Asia, Middle East, Maghreb, West Africa, Dominican Republic, Mauritius, Madagascar, etc.).

Development of franchise partners

In 2023, Carrefour continued to expand its banner base by supporting its partners outside Europe and in the French overseas territories, with a total of 184 new points of sale opened during the year.

In 2023, the Group gained a foothold in new markets: in Mongolia, with the opening of four stores in Ulaanbaatar thanks to its new partnership with Altan Joloo; and in Bulgaria, thanks to the extension of the partnership with Greek franchisee Retail & More. In late November, Carrefour also announced a new partnership in the Czech Republic with the JIP Retail group, which plans to introduce Carrefour brands in the Czech group's local network in 2024.

Operating primarily in the Near and Middle East, Majid Al Futtaim, Carrefour's largest international franchisee, continued its multi-format expansion with the opening of 50 stores in 2023.

In Israel, Carrefour also opened 50 stores with the Electra Consumer Products group. This franchised partner, which signed a contract prohibiting it from developing Carrefour-banner stores in the Palestinian territories, caused controversy when photographs were circulated on social media showing employees giving food parcels to soldiers. The Group is not accountable for these individual initiatives and the photographs were immediately removed. Carrefour has a strict political neutrality stance and is in no way involved in the Israeli-Palestinian conflict.

Competitive environment

The competitive environment differs in each of Carrefour's markets.

In France, the Group's main market, representing 45% of its sales, the competitive environment comprises seven other major retailers: Aldi, Auchan, Casino, E.Leclerc, Intermarché, Lidl and Système U. With a market share of 20.9% (1), all formats combined, the Carrefour group ranks among the market leaders.

In other European countries, Carrefour has solid positions and primarily competes against local retailers.

In Spain, Carrefour is the country's second-largest grocery retailer and the leading hypermarket operator. Its main competitors include Auchan, Dia, Eroski, Lidl and Mercadona.

In Italy, Carrefour is part of a fragmented grocery market shared with Bennet, Conad, Coop, Esselunga, Iper, Pam, etc. The Group holds strong regional positions, particularly in the Aosta Valley and the Piedmont, Lazio and Lombardy regions.

In Belgium, Carrefour ranks among the country's top three retailers and is the leading multi-format group. Its main competitors include: Albert Heijn, Aldi, Colruyt, Delhaize, Intermarché, Jumbo and Lidl.

In Brazil, as in Argentina, Carrefour is the leader in the food retail segment thanks to its multi-format presence.

1.4.3.2 Store and website operations

Store network at December 31, 2023	Hyper-markets	Super-markets	Conve-nience stores	Cash & carry stores	Soft discount	Sam's Club	Total number of stores		Total sales area *(in thousands of sq.m.)*	
							2023	2022	2023	2022
France	234	991	4,438	145	33	0	**5,841**	5,755	**5,519**	5,450
French CPI overseas territories and Dominican Republic	19	46	123	6	0	0	**194**	190	**179**	179
Total France	**253**	**1,037**	**4,561**	**151**	**33**	**0**	**6,035**	**5,945**	**5,697**	**5,629**
Belgium	40	349	318	0	0	0	**707**	794	**794**	930
Spain	204	153	1,054	0	63	0	**1,474**	1,470	**2,164**	2,163
Italy	42	418	1,018	12	0	0	**1,490**	1,517	**998**	1,021
Romania	56	192	171	0	28	0	**447**	403	**629**	518
Poland	96	154	585	0	6	0	**841**	928	**699**	706
Other	31	873	299	0	0	0	**1,203**	1,005	**654**	627
Total Europe (excl. France)	**469**	**2,139**	**3,445**	**12**	**97**	**0**	**6,162**	**6,117**	**5,937**	**5,965**
Argentina	80	88	457	26	0	0	**651**	622	**664**	649
Brazil	143	124	174	361	83	51	**936**	953	**3,287**	3,360
Total Latin America	**223**	**212**	**631**	**387**	**83**	**51**	**1,587**	**1,575**	**3,951**	**4,010**
Total Other(1)	**237**	**758**	**117**	**34**	**0**	**0**	**1,146**	**711**	**2,113**	**1,638**
TOTAL GROUP	**1,182**	**4,146**	**8,754**	**584**	**213**	**51**	**14,930**	**14,348**	**17,698**	**17,241**

(1) Africa, Asia, Middle East, Dominican Republic.

(1) Market shares based on NielsenIQ RMS data for fast-moving consumer goods + self-service fresh products, excluding wine, for the 52 weeks ending December 24, 2023 for the Carrefour Group vs total French retail market (Copyright © 2023, NielsenIQ).

	Integrated		Franchised		Total	
At December 31, 2023	Stores	Thousands of sq.m	Stores	Thousands of sq.m	Stores	Thousands of sq.m
France	505	*2,054*	5,336	*3,464*	**5,841**	***5,519***
Spain	492	*1,950*	982	*214*	**1,474**	***2,164***
Italy	234	*471*	1,256	*527*	**1,490**	***998***
Belgium	84	*376*	623	*418*	**707**	***794***
Romania	416	*623*	31	*6*	**447**	***629***
Poland	206	*593*	635	*106*	**841**	***699***
Brazil	936	*3,287*	-	-	**936**	***3,287***
Argentina	649	*664*	2	*0*	**651**	***664***
Total 8 integrated countries	**3,522**	***10,018***	**8,865**	***4,736***	**12,387**	***14,753***
CPI France	-	-	194	*179*	**194**	***179***
CPI Europe	-	-	1,203	*654*	**1,203**	***654***
CPI Latam	-	-	-	-	**-**	**-**
CPI Other	-	-	1,146	*2,113*	**1,146**	***2,113***
Total CPI	**-**	**-**	**2,543**	***2,945***	**2,543**	***2,945***
TOTAL	**3,522**	***10,018***	**11,408**	***7,681***	**14,930**	***17,698***

Carrefour is developing an omni-channel universe in which its online presence is closely integrated with its 14,930 physical stores.

Carrefour provides its customers with the full range of retail formats: hypermarkets, supermarkets, convenience stores, cash & carry, "club" format stores, and e-commerce. In this way, it can meet the diverse needs and expectations of all consumer profiles – individuals and businesses, families and singles, urban and rural, and people of all ages and mobility levels – by leveraging its expertise to offer the best quality products at the best possible prices, everywhere and at any time, from the weekly grocery shop to a one-off purchase, from organic and fresh products to banking services, as well as cash & carry.

To tailor its model even more closely to new consumer behaviours, Carrefour is creating a multi-channel customer experience that offers maximum flexibility, a wide range of services, extended hours, and solutions aligned with consumers' needs and desires, whether they want to shop in-store, order online and pick up their purchases from a point of sale or a Drive, or have their shopping home delivered. In 2023, the Group operated 2,623 Drives throughout the world and had a GMV [(1)] of 5.3 billion euros in e-commerce.

In recent years, Carrefour has developed or acquired innovative concepts and formats aligned with major social and environmental trends, such as Greenweez (France's leading online retailer of organic products), Dejbox (office meal delivery) and Potager City (subscription and online delivery of baskets of extra-fresh seasonal fruits and vegetables from short circuits). In 2023, Carrefour France launched the local fresh produce brand Potager City, opening three city centre stores in Paris. Carrefour continues to roll out the Supeco model, a discount supermarket aimed at the general public and professionals.

(1) GMV: gross merchandise value.

1.4.3.3 Merchandise

Products are the heart of Carrefour's business. The offering is typical of a general retailer that sells a wide range of consumer goods and services at affordable prices, for the well-being of every shopper. Its success depends on the assortment's alignment with customer demand, the synergies between the product and service offerings, the judicious use of digital technologies, the clear and logical positioning of merchandise in stores, compelling prices and promotions, the right purchasing terms and conditions, and fast stock rotation.

To cater to the needs of customers around the globe, Carrefour is constantly enhancing its merchandise offering, with a variety of fresh produce, organic, locally sourced products, fast-moving consumer goods, essential non-food products, the latest innovations and convenient services.

Fresh produce and local products

As a major challenge for a successful food transition, fresh products demand all of the care and expertise of employees. Carrefour offers a broad range of high-quality fresh products in a pleasant environment, with well-stocked stalls, easy-to-reach items, and regional products. Around the world, Carrefour is also developing local, eco-friendly supply channels, supported by long-standing partnerships with farmers, breeders, and producers.

In addition to major national-brand products, the Group offers a wide variety of own-brand food products, which are also popular with its customers.

Carrefour-branded products are at the core of the Group's strategy. They play a key role in achieving its objective regarding the food transition for all, through renewed and extended product ranges with greater price appeal. Carrefour is stepping up initiatives to create own-brand products that are original and of high quality, in terms of both the ingredients used and the recipes. Their packaging has also been given a makeover.

Carrefour-branded products are set to become an ever-greater part of the assortment. The target for 2026 is to have Carrefour brands representing 40% of sales. In view of this, the management team dedicated to Carrefour-branded products has been strengthened at Group level since 2018 with the arrival of agribusiness experts. At the end of 2023, there were 10,672 Carrefour own-brand products including 1,263 organic products and more than 1,100 Carrefour Bio-brand products.

The *Reflets de France* brand, for example, was the first to promote traditional products of all varieties that exemplify France's culinary heritage. It currently spans more than 600 product listings marketed in more than 30 countries.

In 1992, Carrefour was the first mass-retailer to sell an organic product. It is now the leading organic grocer in France. In this way, the Group's banners are driving innovation and responding to the perceived needs of their shoppers to help guide them towards healthier diets.

Quality and safety

Carrefour is fully committed to ensuring quality and food safety at every stage. Upstream, Carrefour teams certify and support suppliers based on strict compliance with product specifications and health standards. Through the supply chain, goods are subject to a number of inspections and controls, with special attention paid to fresh products.

Downstream, the stores check the quality of their merchandise every day and are themselves subject to a rigorous analysis and audit process. This constant vigilance supports a commitment to greater transparency in the form of highly visible, easy-to-understand product information. Carrefour encourages the development of new products and new supply channels that deliver significant benefits to customers and the environment. Carrefour is also introducing innovative practices to offer agroecological farm products and non-GMO or antibiotic-free meat, and implementing blockchain technology has helped to boost the transparency and traceability of its products along the entire production chain.

Relations with suppliers and SMEs

Carrefour nurtures close relationships with a multitude of stakeholders, including customers, suppliers, employees, communities, investors, universities, trade associations and governments. These relationships are forged every day in a climate of trust. Carrefour's aim is to strengthen its partnerships with suppliers, support their growth and contribute to improving working conditions in countries where special vigilance is needed. Carrefour has set up voluntary initiatives and partnerships with its own-brand and national brand suppliers focusing on a number of themes. For example, it has provided all of its suppliers with an online sustainable development self-assessment test and helped roll out a self-assessment test for the entire retail sector. The international purchasing team also organises annual meetings with international suppliers to encourage them to roll out action plans related to the food transition.

1.4.3.4 Financial and purchasing services

While varying by country and local practices, Carrefour services help satisfy customers with the same commitment to quality products and services at the best price by enabling them to book a trip or theatre tickets, rent a car, print photos, buy eyeglasses, get their laundry dry-cleaned or benefit from concierge services.

In addition, all of the Group's integrated countries offer customers financial services that cover a wide range of credit and payment solutions. These affordable, high-quality products are designed to help customers carry out their projects and meet their needs on a day-to-day basis. These services include financing solutions and products that relate to the stores' operations (consumer credit, specific purpose credit, insurance, payment cards), as well as personal loans. In 2023, the Group partnered with MoneyGram, one of the world's leading providers of peer-to-peer money transfers, to expand its range of high value-added financial services. In 2024, it plans to open over 500 MoneyGram counters in stores in its main countries to offer a money transfer service to all Carrefour customers in hypermarkets and supermarkets around the world.

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Market Pay, an international payment platform founded in 2016 to meet Carrefour's omni-channel retail challenges in its various geographies, began marketing its payment services in France, Belgium, Spain and Italy in May 2020. The FinTech company, which targets both retailers and pure players to help them roll out innovative and reliable payment solutions, has seen strong growth. It now covers seven European countries and processed a volume of 2.4 billion transactions in 2023, representing 29 billion euros in value, 160,000 terminals and more than 5 million cards.

The Group has built up a strong presence in financial services and insurance, including through its five financing entities (in France, Brazil, Spain, Belgium and Argentina) and commercial agreements. As of end-2023, these activities represented more than 10 million credit cards, almost 8 billion outstanding consumer loans and 3.5 million insurance contracts sold annually. They have already been partly digitised, with a quarter of new cardholders recruited through digital channels and 71% of customers active in digital technology. As part of its digitalisation strategy, the Group intends to capitalise on its bank in Brazil, which is a centre of expertise and innovation in the digitalisation of financial services, to develop new financing and insurance products and services for its B2C and B2B customers in all the Group's countries. These products and services will be fully integrated into the customer path of physical and digital retail operations in order to develop their visibility and marketing and thus encourage multi-equipment.

1.4.3.5 Logistics and supply-chain operations

The Company's logistics and supply chain operations are a key driver of its operational efficiency. Carrefour pays particular attention to this, in all its geographical areas.

The various logistics units employ more than 18,000 people worldwide. Employees and service providers are there to serve the Group's various store formats and customers. They lead all the operations involved in cross-functionally managing the flow of goods and information amongst all the links in the supply chain, including ordering merchandise from suppliers, receiving, storing and preparing the online or store-bought items in warehouses and then delivering them to point of sale and stocking them on store shelves or delivering them directly to customers.

Carrefour uses advanced teams and estimation systems to manage supplier orders, inventory, order preparation platforms equipped with mechanised sorters, as well as the largest fleet of non-diesel trucks in France.

As part of its omni-channel strategy, which provides for close integration between e-commerce and physical retail, Carrefour is building a cutting-edge industrial ecosystem to enhance the efficiency and responsiveness of its supply chain and shorten delivery times for online orders. It includes: automated order fulfilment centres serving Drives and click & collect pick-up points; semi-automated order fulfilment solutions in stores ("dark stores"); and partnerships with operators specialised in last-mile logistics.

As of end-2023, the Group had 138 warehouses and logistics centres in its integrated countries, operated either on a full ownership basis or by service providers, 15 of which are specifically for e-commerce.

1.4.3.6 Real estate

Carrefour also enjoys extensive real estate expertise, which it leverages to enhance store appeal and increase value, with the goal of creating and operating aligned, well-managed retail environments. Its ambition is to design places conducive to a warm, friendly shopping experience, while sustainably contributing to the appeal and vitality of each host city and region.

In France, Carrefour has identified around 100 sites that could be transformed into housing, offices or stores. Whether the stores are located in city centres or on the outskirts, in historic shopping districts or in new neighbourhoods, this retail vision requires solutions aligned with changing environments, lifestyles and spending habits. The new formats and concepts offered by Carrefour in these districts constitute new generation shopping and lifestyle environments that act as sustainable sources of economic and social vitality for their host communities. In 2023, projects aimed at adding value to the Group's real estate portfolio and assets were all launched. The Villes et Commerces property venture, 80% owned by Carrefour and 20% by Nexity, was created to extract value from 76 sites in France representing approximately 800,000 sq.m.; their development should enable the creation of 12,000 housing units, 120,000 sq.m. of retail space, 10,000 sq.m. of office and activity space, and 17,000 sq.m. of hospitality space.

As of December 31, 2023, the Group operated 17.7 million sq.m. of sales area under its banners, with property and equipment being mainly comprised of sales areas operated by the Group. The Group's store ownership strategy depends on the country and the format.

In France, Spain and Italy, hypermarket and supermarket real estate is held by Carrefour Property, which manages nearly 1,200 proprietary Carrefour-branded stores. The unit also has all of the real estate expertise needed to lead the Group's real estate projects: in areas such as asset management, project management and design, delegated project management, property development, leasing, etc.

The Carrefour Property France teams also provide project support services to other Carrefour group countries. In every host country, the combination of property and retailing expertise is making it possible to design and operate multi-use complexes aligned with shopper needs and aspirations.

The Group can also rely on its 36.43%-owned property company Carmila, which is dedicated to enhancing the appeal of shopping centres adjacent to Carrefour hypermarkets in France, Spain and Italy. Carmila was set up in 2014 by Carrefour with a mandate to enhance the appeal of shopping centres adjacent to the Group's hypermarkets in France, Spain and Italy. To do this, Carmila is inventing new types of accessible and evolving retail outlets in phase with current consumption trends by combining the best of physical and digital retailing.

Carmila centres offer solutions that make day-to-day life easier for customers and retailers in all regions. It is asserting the local leadership of shopping centres through a transformation strategy – comprising renovations, restructuring and extensions – and the provision of a balanced retail offering that combines regular brands, restaurants and "enjoyment" shopping.

Carmila's strength resides in the synergies it has unlocked with Carrefour, both in day-to-day retail management and an omni-channel marketing strategy to attract new customers, foster their loyalty and increase their satisfaction by optimising the customer experience.

1.4.3.7 Retail media

Carrefour is ramping up its activities in the booming retail media market. In 2021, the Group set up the Carrefour Links platform designed to provide partner companies with a detailed understanding of what customers expect, to conduct their marketing campaigns throughout the Group's universe and to measure their real impact from ad to in-store purchase. Carrefour Links combines Carrefour's retail expertise with the best in security, storage and data processing technology co-developed with global industry leaders (i.e., Criteo, Google and LiveRamp). Carrefour Links had more than 450 clients in early 2023. On the heels of this success, the joint subsidiary Ulimitail was launched with Publicis to tap into the booming retail media market in the first half of 2023 (see 1.3.2.3). This joint venture, which covers the entire retail media value chain, will market its solutions to customers with a wide range of profiles in Europe and Latin America. The Group is aiming to become a media solutions platform capable of operating media services on behalf of other companies.

1.5 Performance

1.5.1 SUMMARY OF 2023 FINANCIAL PERFORMANCE

(in millions of euros)	2023	2022	2021[1]	2020[2]
CONSOLIDATED INCOME STATEMENT				
Gross sales	**94,132**	90,180	78,645	78,609
Net sales	**83,270**	81,385	70,462	70,719
Recurring operating income before depreciation and amortisation[3]	**4,559**	4,613	4,307	4,465
Recurring operating income	**2,264**	2,377	2,194	2,173[4]
Recurring operating income after net income/(loss) from equity-accounted companies	**2,308**	2,427	2,206	2,160
Operating income	**1,749**	2,463	1,840	1,686
Net income/(loss) from continuing operations	**900**	1,564	1,210	853
Net income/(loss) from continuing operations, Group share	**930**	1,368	1,002	663
Total net income/(loss)	**1,642**	1,566	1,301	831
Net income/(loss), Group share	**1,659**	1,348	1,072	641
CONSOLIDATED STATEMENT OF CASH FLOWS				
Cash flow from operating activities	**4,032**	3,968	3,796	3,408
Net cash from operating activities	**4,650**	4,219	3,661	3,395
Net cash from/(used in) investing activities	**(739)**	(2,134)	(1,334)	(1,841)
Net cash from/(used in) financing activities	**(2,719)**	(326)	(3,060)	(1,126)
Net change in cash and cash equivalents	**838**	1,748	(735)	(27)
Net free cash flow	**1,622**	1,262	1,227	1,056
CONSOLIDATED STATEMENT OF FINANCIAL POSITION				
Net debt	**2,560**	3,378[5]	2,633	2,616
Total equity	**13,387**	13,186	11,830	11,609[6]
Equity – Group share	**11,539**	11,144	10,251	10,103[6]

(1) Carrefour Taiwan is accounted for as discontinued operations, in accordance with the IFRS 5 accounting standard.
(2) 2020 restated for the IFRS IC decision on IAS 19.
(3) Recurring operating income before depreciation and amortisation (including supply chain depreciation).
(4) Recurring operating income for 2020 includes income expenses related to Covid-19. Exceptional bonuses and other similar benefits awarded to employees (128 million euros in first-half 2020) are reported under "Non-recurring income" or "Non-recurring expenses".
(5) Restated for IFRS 3.
(6) 2020 restated for the new IFRS 16.

1.5.2 SUMMARY OF 2023 STOCK MARKET PERFORMANCE

SHARE PRICE

	Price high*	Price low*	Average closing price*	Number of shares traded	Amount of capital traded*
January	17.54	15.725	16.88	38,981,667	657,436,915
February	18.71	16.095	17.51	57,673,790	1,010,462,262
March	18.63	17.305	17.96	57,335,914	1,028,640,110
April	18.94	18.38	18.68	36,222,581	676,936,099
May	18.565	17.185	17.90	36,713,108	654,720,370
June	17.355	16.155	16.67	45,926,184	771,047,152
July	18.54	16.795	17.44	35,619,478	623,644,484
August	18.4	17.405	18.09	33,748,317	608,371,635
September	17.285	16.19	16.77	37,289,113	627,704,340
October	16.675	15.58	16.01	39,005,573	628,027,561
November	17.405	16.84	17.16	34,560,048	592,950,138
December	17.32	16.12	16.78	29,124,628	486,107,777

* In euros

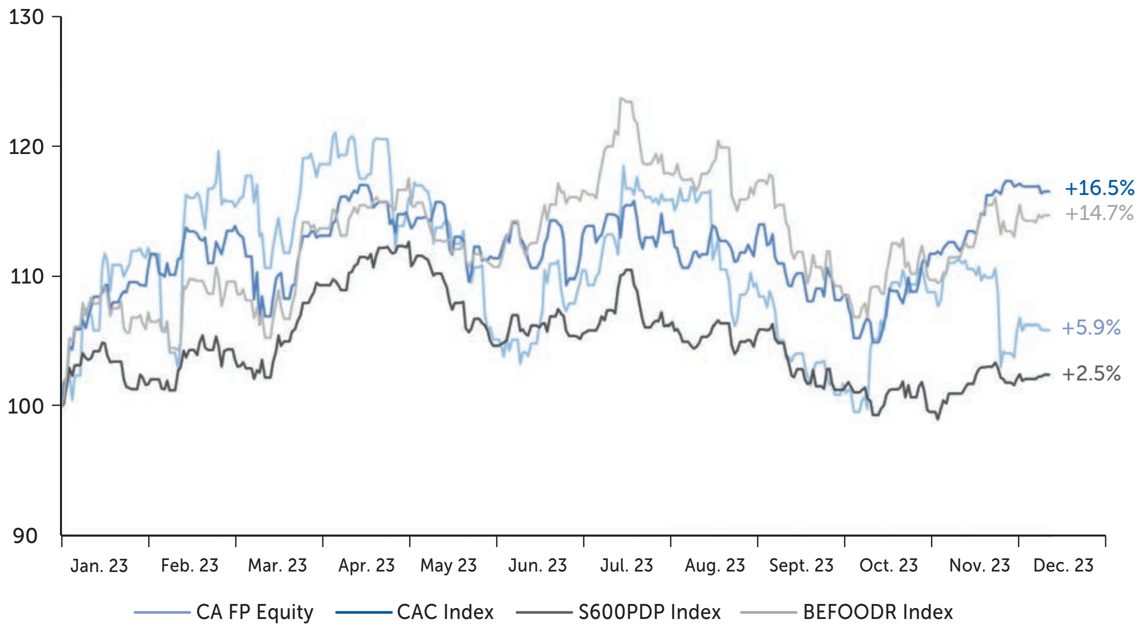
SUMMARY OF STOCK MARKET INDICATORS

Closing price *(in euros)*[(1)]	2017	2018	2019	2020	2021	2022	2023
High	23.64	19.62	18.14	16.89	17.54	21.17	18.94
Low	16.47	13.14	14.62	12.33	13.99	14.02	15.58
At December 31	18.04	14.91	14.95	14.03	16.11	15.64	16.57
Number of shares at December 31	774,677,811	789,252,839	807,265,504	817,623,840	775,895,892	742,157,461	708,790,816
Market capitalisation at December 31 *(in billions of euros)*	14.0	11.8	12.1	11.5	12.5	11.6	11.7
Average daily volume[(1)(2)]	3,310,080	3,723,706	2,394,148	3,218,500	3,253,806	2,655,042	1,890,982
Net dividend *(in euros)*	0.46	0.46	0.23	0.48	0.52	0.56	0.87[(3)]

(1) Source: Euronext.
(2) Average daily volume on Euronext.
(3) Subject to approval by the Shareholders' Meeting.

SHARE PRICE IN 2023 (BASE 100)

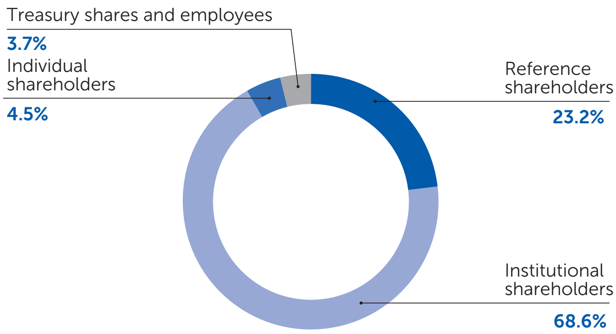
Carrefour share price in relation to the CAC 40, BEFOODR (1) and STOXX Europe 600 Personal Care Drug and Grocery Stores index (2)



SHARE CAPITAL AND OWNERSHIP STRUCTURE

At December 31, 2023, Carrefour's share capital stood at 1,771,977,040.00 euros (one billion seven hundred seventy-one million nine hundred seventy-seven thousand forty euros), divided into 708,790,816 shares with a par value of 2.50 euros each. The number of voting rights at December 31, 2023 was 886,612,205. After deducting the voting rights that cannot be exercised, the total number of voting rights was 869,002,680.

To the Company's knowledge, the breakdown of the capital at December 31, 2023 was as follows:



(1) BEFOODR: Ahold Delhaize, Carrefour, Greggs, HelloFresh, Jeronimo Martins, Kesko, Marks & Spencer, Ocado, Sainsbury and Tesco.
(2) S600PDP: Ahold Delhaize, Axfood, Beiersdorf, Carrefour, Dino Polska, Essity, Galenica, Greggs, HelloFresh Jeronimo Martins, Kesko, Ocado, Reckitt Benckiser, Sainsbury, Tesco and Unilever.

1.5.3 SUMMARY OF 2023 NON-FINANCIAL PERFORMANCE

Results of the CSR and Food Transition Index for 2023

Carrefour deployed a CSR and Food Transition index in order to monitor the achievement of its objectives, assess its CSR performance and motivate its in-house teams. In 2019, the Group's performance in meeting these objectives was included in the criteria for executive compensation and serves as the basis for calculating 25% of executive compensation as part of the long-term incentive plan, and 20% of the Chief Executive Officer's compensation. Since 2021, the CSR index has been integrated into the variable compensation of executives in integrated countries. In 2023, the "CSR and Food Transition index" criterion was integrated into the collective portion of the annual variable compensation of employees in France, representing between 4% and 12% of the bonus depending on the scope and level of the employee. This compensation criterion concerns 10,000 people in France.

Designed to cover a period of several years, the index measures CSR performance every year for each of the 17 indicators. The Index's overall score is a simple average of the score for the 17 indicators. When the Carrefour 2026 strategic plan was unveiled in November 2022, the Group strengthened its commitments to sustainable agriculture, climate action, reduction in packaging, fighting against deforestation in Brazil, nutrition and inclusion. The new commitments are integrated into the CSR and Food Transition Index from 2023.

In 2023, Carrefour exceeded its non-financial objectives, as measured by its CSR and Food Transition Index with a score of 110%. This performance reflects in particular the progress made by the Group in reducing its greenhouse gas emissions, reducing packaging, engaging employees and deploying its training plan.

Carrefour's 2023 CSR and Food Transition Index = 110%

No.	Category	Objective	2023 Result	2023 Score[6]
	Products			**111%**
1	Certified sustainable products	8 billion euros in sales of certified sustainable products by 2026	5.3[1]	93%
2	Plant-based alternatives	650 million euros in sales of plant-based products[2] by 2026	514	103%
3	Raw materials	100% of sensitive products with regard to forests, animal welfare, soils, marine resources and human rights to be covered by a risk mitigation plan by 2030	70%	117%
4	Packaging	3 Carrefour targets on packaging reduction, bulk and reuse, and packaging recyclability implemented by 2026:		136%
		1. 20,000 tonnes of packaging avoided by 2025 (cumulative vs. 2017)	20,738	116%
		2. 300 million euros in sales of bulk products and goods in reusable packaging by 2026[3]	256	200%
		3. 100 million reusable, recyclable or compostable items of packaging in 2025	69%	92%
5	Partner producers	50,000 partner producers by 2026	46,013	105%
	Stores			**105%**
6	Food waste	50% reduction in food waste (vs. 2016)	-36%	92%
7	Waste	100% of waste recycled by 2025	70%	92%
8	Climate (Scopes 1 and 2)	50% reduction in GHG emissions (Scopes 1 and 2) by 2030, and 70% reduction by 2040 (vs. 2019)	-38%	121%
9	Climate (Scope 3)	Top 100 suppliers with a 1.5°C trajectory and 20 megatonnes avoided		117%
		Top 100 suppliers with a 1.5°C trajectory by 2026	44%	115%
		20 megatonnes avoided by 2030	947,000	118%
	Customers			**105%**
10	Nutrition and health	Elimination of 2,600 tonnes of sugar from Carrefour-branded products by 2026 (vs. 2022)	261	101%
		Elimination of 250 tonnes of salt from Carrefour-branded products by 2026 (vs. 2022)	78	
11	Customer community	An active community of consumers of healthy and sustainable products in each of the eight countries where the Group operates	3[4]	100%
12	Supplier commitments	500 suppliers committed to the Food Transition Pact by 2030	306	133%
13	Act for Food	Minimum score of 75/100 for the question "Does Carrefour help you eat better?"	63	85%
	Employees			**119%**
14	Employee engagement	Minimum employer recommendation score of 75/100 awarded annually to Carrefour by its employees[5]	83	132%
15	Gender equality	Women to account for 35% of Top 200 managers by 2025	29%	99%
16	Training	At least 50% of employees provided access to training every year	69%	138%
17	Disability	15,000 employees with a disability by 2026	13,358	109%

(1) Sales of national brand products with "sustainable fishing" and "sustainable forest" labels are not currently taken into account and will be added to the calculations in 2024.
(2) This indicator measures sales of alternatives to products of animal origin (e.g., meat substitutes, plant-based milks and yoghurt). Sales of legumes have been added to this indicator in 2023 (e.g., chickpeas, lentils).
(3) The sales target has been raised to 300 million euros against 150 million euros initially, to take into account sales in reusable packaging on top of bulk sales.
(4) France, Spain, Belgium.
(5) Ipsos, July 2023 - 25,917 respondents out of a representative sample of 265,000 employees surveyed.
(6) See 2.4 Reporting methodology.

This index is designed as an oversight tool for the various professions. It also allows us to report externally on the roll-out of the Group's CSR strategies, in particular with regard to climate, biodiversity, circular economy, health, partner and employee engagement. The table below cross-references the CSR Index objectives presented in Section 2.2.

Topics	Performance indicator from the CSR Index	Average score in 2023
Biodiversity Section 2.1.2	6 associated objectives Objectives 1, 2, 3, 4, 5 and 7	108%
Circular economy Section 2.1.3	3 associated objectives Objectives 4, 6 and 7	107%
Climate Section 2.1.4	5 associated objectives Objectives 2, 5, 6, 8 and 9	108%
Health Section 2.1.5	1 associated objective Objective 10	101%
Customer and partner commitments Sections 2.1.2, 2.1.3, 2.1.4	4 associated objectives Objectives 5, 11, 12 and 13	106%
Employees Section 2.1.7	4 associated objectives (14 to 17)	119%

Rating agency scores and awards in 2023

Carrefour regularly replies to questionnaires by ratings agencies to assess its performance based on business, social and governance criteria. In 2023, Carrefour gained 3 points in the Moody's (formerly Vigeo Eiris) questionnaire, scoring 76/100. Carrefour also is one of the seven members of DJSI World, which brings together the best companies in terms of ESG performance.

Ratings agency	2018	2019	2020	2021	2022	2023
CDP Climate – Carbon disclosure project	A-	A	A-	A	A	A-
ISS OEKOM	Prime C+	Prime C+	Prime C+	Prime C+	Prime C+	Prime C+
DJSI – S&P	69	73	73	72	69	67
MSCI	A	AA	AA	A	AA	AA
Moody's VIGEO	A1+[1] 68	67	67	64	73	76
CDP – Forest						
■ Palm oil	B-	B	B	B	B	B
■ Soy	B-	B	B	B	B	B
■ Beef	C	B-	B	B	B	B-
■ Wood and paper	B-	B-	B	B	B	B-
CDP Water	-	-	A-	A-	A-	B

(1) The Carrefour group requested an additional rating to the standard rating.

In 2023, Carrefour won recognition from a number of organisations:

- on December 5, 2023, Carrefour won the Data for Impact Award at the HUB Awards Impact event. This category recognises organisations that have implemented tangible data-driven initiatives to drive sustainable transition. The carrefour.fr website was recognised for its use of data to help customers eat better;
- in 2023, Carrefour picked up several awards at the LSA Innovation Awards evening: The Group won the "Food Trends Innovation" prize for extending its private label range of organic and French cereals and pulses to include einkorn and white beans. The Group was also rewarded for its reusable stainless steel packaging. The Group also received an award in the Diversity category for its women's health programme;
- For the third year running, Carrefour is one of the top three companies preferred by young people for its CSR commitment. Universum's CSR Index was produced by means of a questionnaire submitted to 1,215 students and young professionals (with a maximum of five years' experience), having completed up to five years of higher education, between October and December 2023.

1.6 Simplified legal chart

	France				
Retail	Carrefour Hypermarchés	Société d'exploitation Amidis et Compagnie (integrated supermarkets)	Carrefour Proximité France	Genedis (cash & carry)	Provencia
E-Commerce	Greenweez	Carrefour Drive	Dejbox		
Logistics	Carrefour Supply Chain				
Purchasing	Interdis (Central purchasing centre for food)	Maison Johanès Boubée (Beverages)			
Real Estate	Carrefour Property France	Carmila			
Financial Services	Carrefour Banque (Financial services)	Carma (Insurance)	Market Pay (Payment)		

	Europe				
	Belgium	Spain	Italy	Poland	Romania
Retail	Carrefour Belgium	Centros Comerciales Carrefour	Carrefour Italia	Carrefour Polska	Carrefour Romania
Financial Services	Fimaser	Servicios Financieros Carrefour			
Real Estate		Carrefour Property España	Carrefour Property Italia		
		Carmila España	Carmila Holding Italia		
Purchasing		Eureca Mayoristas			

	Latin America	
	Argentina	Brazil
Retail	INC SA	Atacadão *
Financial services	Banco de Servicios Financieros	Banco CSF

	Africa & Middle East			
	Sub-Saharan Africa	Tunisia/Algeria	Morocco	Turkey
Retail	Adialea	UHD	Hypermarché LV / Maxi LV	Carrefoursa Carrefour Sabanci Ticaret Merkezi *

* Listed company

100% owned

50% or more owned

Less than 50% owned

2

CORPORATE SOCIAL RESPONSIBILITY AND PERFORMANCE

Introduction

The following sections of the Universal Registration Document present the components that underpin Carrefour's Corporate Social 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 thus contains information relating to the Non-Financial Statement, the EU Green Taxonomy and the duty of care plan.

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 1.4.1;
- 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 2023 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.

The scope of reporting is limited to the Group's retail operations, solely taking into account its eight integrated countries [1] (see Section 2.4 Methodological note). For indicators with a different scope, details are provided in the footnotes.

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 policies 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;

(1) Excluding franchisees.

- 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 a few of the Group's ancillary businesses, such as building construction and vehicle rentals.

2.1 Non-financial policies, action plans and performance

2.1.1 CSR METHODOLOGY AND NON-FINANCIAL RISKS AND PERFORMANCE

2.1.1.1 CSR governance and 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.

In 2022, Carrefour adopted its new transformation plan "Carrefour 2026", 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.

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 identifies material issues and imperatives, sets quantitative targets and works closely with its partners on drawing up action plans. 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 or strengthened at every level in the organisation (see Section 2.2.1.1);
- **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.

1 2 3 4 5 6 7 8 9

Focus N°1: 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 comprises the CSR Department, the Diversity and Inclusion Department, the Carrefour Foundation and the Group & France Solidarity unit.

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 roll out the Group's Duty of Care Plan.

The CSR department, responsible for implementing these projects, 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, made up of local teams.

The Diversity and Inclusion department is responsible for defining and driving the diversity and inclusion policy at Group level in collaboration with all countries. It deals, for example, with gender equality and disability issues, combating all forms of discrimination.

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

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.

- **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 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 service providers 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,
  - 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,
  - 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 called on its largest suppliers (the Top 100) to align with a 1.5°C trajectory by 2026, and has committed to delisting them if they do not meet this condition;
- **involving franchisees in the Group's CSR and food transition process**: Carrefour works closely with franchised stores, both in the eight integrated countries and through international partnerships.

Focus N°2: Roll-out of the CSR strategy to franchisees

There are two types of franchise within the Group:

- franchised stores in the eight countries in which the Group operates directly: 8,865 stores representing 27% of all retail space under the banner.
- franchised stores of international partners (Carrefour Partenariat International): more than 2,543 stores representing 17% of the sales area under the banner.

Carrefour works to integrate the CSR strategy into its franchises in various ways:

- Carrefour has a network of franchise advisers to work with its **franchise partners in the eight countries in which the Group operates directly**. Through them, the Group supports franchisees on an individual basis, sharing rules, best practices, innovative solutions, projects and concepts that franchisees can implement on a voluntary basis. The Group also provides services, such as green energy purchasing at a preferential rate and waste contracts, thereby involving its partners in the transformations under way in the Group. Lastly, the Group's targets for goods sold and distributed by Carrefour apply to all franchised stores in the eight integrated countries, meaning goods sold by franchised stores comply with the same rules as the Carrefour group. However, store-related targets (e.g., climate, energy, waste and food waste management) only apply to integrated stores. Franchised stores are independent.
- Carrefour Partenariat International (CPI) is responsible for ensuring that the **franchised stores of international partners** are committed to the food transition for all. This commitment is underpinned by the following levers:
  - The Human Rights Charter signed by all the Group's international franchise partners: appended to the franchise partner contracts, the charter sets forth a number of social obligations. It describes the control methodology in place and specifies the existence of an Advisory Committee.
  - The CSR appendix now included in all new contracts since 2022: by signing this appendix, each partner undertakes to define quantified and time-bound commitments aligned with the Carrefour group's CSR priorities.
  - The annual strategic review: involving CPI and the CSR department, on the one hand, and franchise partner managers, on the other, the review enables strategic priorities to be defined with each partner.
  - The franchise partner CSR manager network: through this network, the Group shares rules, best practices, innovative solutions, projects and concepts that franchisees can implement on a voluntary basis. For example, a learning expedition was conducted in 2023 to share best practices, discuss key CSR challenges and visit Carrefour stores involved in innovative initiatives. Franchise partners from over ten countries took part in the event.

  It should be noted that international partners define their own CSR policies. They transmit data relating to store activity on a voluntary basis. Carrefour's CSR objectives do not apply to international franchisees.

Carrefour and franchisee climate targets

- As regards emissions from energy consumption and the use of refrigerants for all franchised stores (Scopes 1 and 2 of franchised stores), these account for 37% of the total emissions (Scopes 1 and 2) of Carrefour-banner stores worldwide and less than 1% of the Group's Scope 3 emissions. This scope is not included in our commitments to date, since it is not among the most material Scope 3 emissions categories for the Group. However, Carrefour includes all Scope 1 and 2 emissions of its franchisees and international partnerships in its climate footprint.
- For emissions associated with purchases of goods and services (representing 65% of the Group's Scope 3), Carrefour includes in its climate diagnosis the emissions related to the production of products sold by its franchised stores in the Group's eight integrated countries. As an indication, sales made under franchises represent approximately 30% of total net sales in those eight countries. The Group's targets relate to emissions associated with purchases of goods and services in these eight countries, for both integrated and franchised stores.
- At the 2023 Shareholders' Meeting, Carrefour committed to setting a target for Scope 1 and 2 emissions from franchisees in 2024. It has undertaken to reduce emissions from the purchase of goods and services and the use of products sold. This objective takes into account the purchase of goods and services of all integrated and franchised stores under the Carrefour banner in the eight countries where the Group operates directly. These sales are taken into account in our Scope 3 estimates and across the scope of our targets.

- **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). In particular, the Group aims to develop an active community of consumers in each country. This objective is included in the Group's CSR and Food Transition Index (see Section 1.5.3). In 2023, consumer communities were established in France, Spain and Belgium.

Carrefour uses analysis and dialogue tools to identify material issues, and define its policies and action plans while taking a continuous improvement approach. See Section 2.2 Duty of Care Plan.

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 associated with its retail business that include criteria relating to its 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). When a Group risk is classified as a CSR risk, the risk is reformulated, and in some cases risks are grouped together (e.g., the Group risk "Use of raw materials questioned for their environmental, social or ethical impact" becomes "Sourcing of sensitive raw materials" under its classification as a CSR risk).

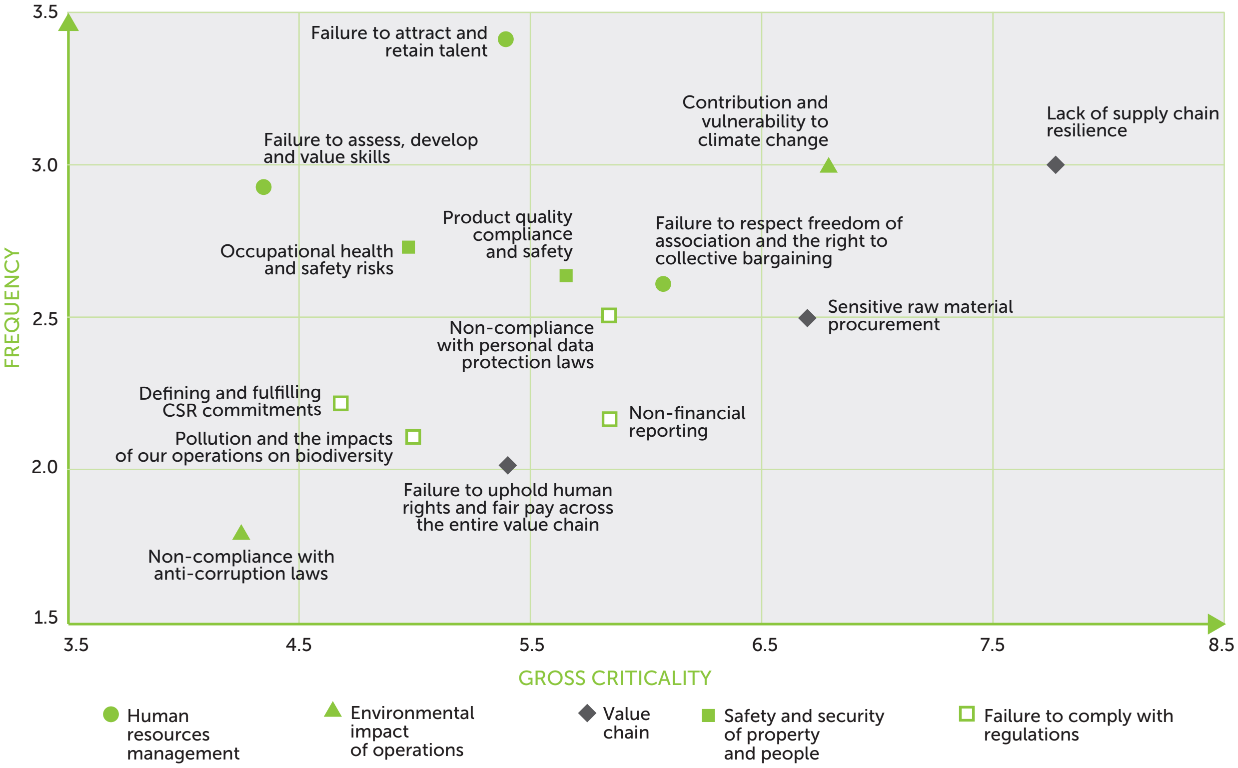
Section 2 details the policies, action plans and performance indicators related to these CSR risks. It therefore contains information relating to the Non-Financial Statement and the Duty of Care Plan.

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:

- frequency: this criterion takes into account the probability of the dangerous event occurring. The frequency is assessed on a scale of 1 to 4 [(1)];
- gross impact: this indicator measures the financial and reputational impacts, as well as the impact on stakeholders (consumers, employees, suppliers, organisations, etc.).

(1) 1: every 5 years or more, 2: every 1 to 5 years, 3: annually, 4: several times a year or permanent.


3.5
3.0
2.5
2.0
1.5
FREQUENCY
3.5
4.5
5.5
6.5
7.5
8.5
GROSS CRITICALITY
Failure to attract and retain talent
Contribution and vulnerability to climate change
Lack of supply chain resilience
Failure to assess, develop and value skills
Product quality compliance and safety
Failure to respect freedom of association and the right to collective bargaining
Occupational health and safety risks
Sensitive raw material procurement
Non-compliance with personal data protection laws
Defining and fulfilling CSR commitments
Non-financial reporting
Pollution and the impacts of our operations on biodiversity
Failure to uphold human rights and fair pay across the entire value chain
Non-compliance with anti-corruption laws
Human resources management
Environmental impact of operations
Value chain
Safety and security of property and people
Failure to comply with regulations

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. 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 Section 2.1.8
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 2.1.7 Section 2.1.8
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 2.1.4
	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 2.1.7
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 2.1.5
	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.	
	Failure to manage the product reference guide and/or product information disclosed to consumers	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.	
Defining and fulfilling CSR commitments	Failure to define and fulfil corporate social responsibility commitments	A misalignment between the Group's strategy and CSR objectives or poor definition of its objectives and ambitions in relation to market expectations could negatively impact the Group's non-financial performance. Carrefour could be accused of failing to respect its commitments for defining unclear or insufficiently ambitious goals.	Section 2.1.1.1 Section 2.2.1.2

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 2.1.8
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 2.1.7
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 2.1.8
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, inside or outside France. Carrefour may fail to comply with all of the pillars and provisions of this legislation.	Section 2.1.6
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 2.1.7
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
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

*The Group stopped assessing this risk in 2023.

2.1.2 BIODIVERSITY

2.1.2.1 Our objectives and outcomes

Overview

The food industry is highly dependent on biodiversity, which is why biodiversity conservation is crucial for the food and agriculture sectors. 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 and reducing pollution. The Group's actions in this area also respond to consumers' justified demands for more information, better quality products and greater transparency.

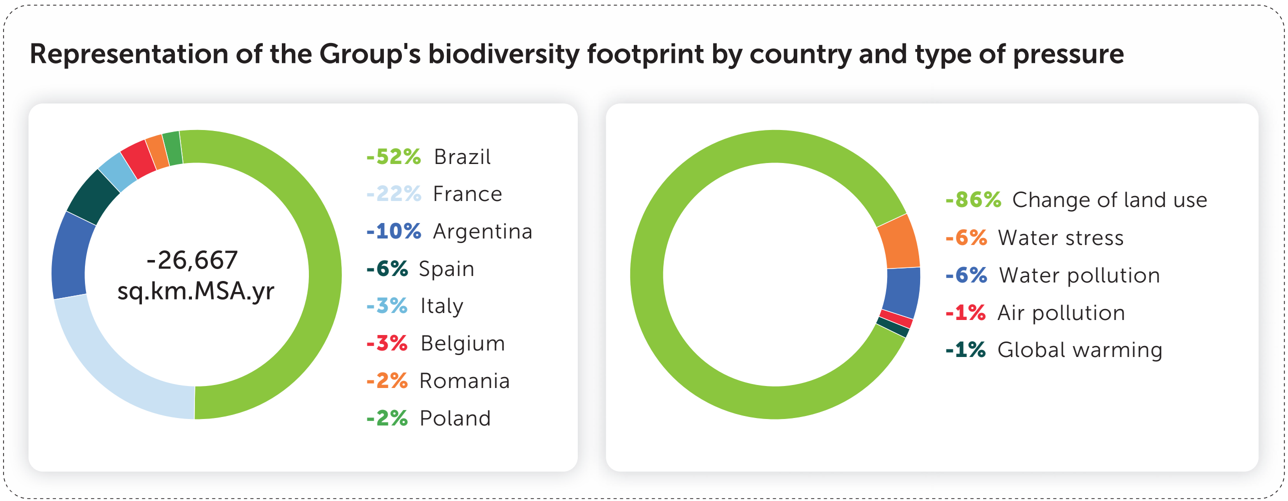
While actions can be taken at the level of Carrefour's sites and operations, solutions that promote biodiversity and reduce pollution must also be developed collectively throughout the supply and production chains with all stakeholders. Carrefour therefore takes action to protect biodiversity and reduce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

Impacts, risks and opportunities

The retail industry is a major contributor to the loss of biodiversity through the manufacture, use and end-of-life of products sold. They collectively contribute to the five key pressures on biodiversity. To a lesser but still significant extent, the Group adds to these pressures through its operations and those of its franchisees. The industry depends on ecosystems to source its products, obtain the energy they require and treat the effluents they generate both when in use and at the time of their disposal.

In 2022, Carrefour conducted a macro-analysis of its impacts and dependencies on nature across the entire value chain and by level of associated risk. Going a step further in 2023, it analysed the impacts of around 15 raw materials at each step of the value chain in France. These initiatives are in line with Carrefour's commitment to the Science Based Targets for Nature (SBTN) programme, which guides organisations in setting ambitious and science-based targets for climate and nature protection. The Group also assessed its biodiversity footprint using the Corporate Biodiversity Footprint (CBF) measurement tool.

FIGURE 1: CARREFOUR'S BIODIVERSITY IMPACTS



The map illustrates how the Group's operations 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 the impacts occur upstream or downstream from Carrefour's direct operations.

(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.

FIGURE 2: MAP OF CARREFOUR'S IMPACTS

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

Level of impact: Very high, High, Medium

	DIRECT IMPACTS - UPSTREAM	DIRECT IMPACTS	INDIRECT IMPACTS - DOWNSTREAM
Habitat destruction	Agricultural production of our products	Land use at our sites	
Pollution	Pollution associated with freight	Solid waste generated on our sites	Solid waste associated with sold products, pollution of aquatic environments associated with some products
Climate change	Emissions associated with agricultural production of our products		Emissions associated with sold products
Resource exploitation	Overexploitation of certain sensitive raw materials	Water consumption of the food-processing industries (own brand)	Water consumption associated with sold products
Invasive species and others	Nuisances associated with agricultural production, invasive species associated with long-distance freight	Nuisances associated with our sites (e.g., car parks, etc.)	

FIGURE 3: MAP OF CARREFOUR DEPENDENCIES

Level of dependency: Very high, High, Medium

	DIRECT IMPACTS - UPSTREAM: Agricultural production and product processing	DIRECT IMPACTS - UPSTREAM: Transport	DIRECT IMPACTS	DIRECT IMPACTS - DOWNSTREAM
Supply services [1]	• Surface and groundwater supply • Supply of plant and animal commodities • Production of cardboard packaging	No ecosystem service provided	• Water supply	No ecosystem service provided
Support services [2]	• Pollination • Soil quality • Water quality • Water cycle maintenance • Natural habitats	No ecosystem service provided	• Water cycle maintenance • Water quality • Homes and other buildings	No ecosystem service provided
Regulation services [3]	• Climate regulation • Water quality regulation • Pest and desease control • Flood and storm protection • Erosion control	No ecosystem service provided	• Erosion control • Climate regulation • Water quality regulation • Flood and storm protection	No ecosystem service provided

80% of products depend on biodiversity systems

[1] Resources provided by ecosystems/biodiversity
[2] Natural processes regulated by ecosystems/biodiversity
[3] Functions that help to maintain other ecosystem services

Source : ENCORE tool and expert opinons

MAP OF BIODIVERSITY IMPACTS BY PRIORITY RAW MATERIAL (1)

The table below summarises part of the work carried out in 2023. It shows the pressures exerted on biodiversity by several raw materials identified as high impact by Science Based Targets for Nature:

The impact of solid waste, as well as noise, light, odour and physical disturbances associated with human activity, resulting in disruption to species, were not examined under the SBTN approach due to insufficient knowledge about these pressures (2). The products taken into account are consumer food products (3).

	Change in use of land and sea	Overexploitation of resources	Climate change	Pollution			Invasive species
			GHG emissions	Air pollution	Water pollution	Soil pollution	Biological degradation
Palm oil	Very high	Average	High	Average	High	Average	
Soy	Very high	Average	High	Average	Average	Average	
Beef	Very high	Average	Very high	High	Very high	High	
Cocoa	Very high	Average	Very high	Average	High	Average	
Fishery products	●	Very high	Average	Average	Average	Average	High
Aquaculture products	High	Very high	High	Average	Very high	Average	High
Cotton	Very high	High	Very high	N/A	Average	High	

- Average impact: below the food product median
- High impact: above the food product median
- Very high impact: higher than 95% of food products

POLLUTION-RELATED RISKS AND OPPORTUNITIES FOR CARREFOUR

Based on the various biodiversity analyses carried out, the major risks that Carrefour has identified related to the preservation of biodiversity are: "Pollution of living organisms and food resources", "Air, water and soil pollution", "Emission of substances of concern and very high concern", "Microplastics". The risks and opportunities are presented in the table below:

(1) A selection of seven priority raw materials out of a total of around 15 examined under the Science Based Target for Nature project. The other materials studied are coffee, nuts, pork, milk, dairy products, eggs, rice and poultry.
(2) The impact is assessed according to: the 50% of food products with the lowest impact, the 50% of food products with the highest impact (excluding the top five with the highest impact), and the 5% of food products with the highest impact of all food products.
(3) Source: Agribalyse.

TYPE OF RISK	VALUE CHAIN	RISK	OPPORTUNITIES
Pollution of air, water, soil, living organisms and food resources	Upstream	An increase in product prices due to the technological transition within the supply sector and/or the payment of penalties for pollution offences Declining availability and inflation of raw materials due to environmental degradation, lower yields and the pollution of resources (degradation of ecosystem services) Carrefour accused of using suppliers that contribute to pollution (textile industry)	Securing supplies through organic or agroecological production chains to reduce pesticides, fertilisers and antibiotics Development of local non-GMO (soy) animal feed chains
	Operations	Carrefour accused of non-compliance with pollution regulations (stores, warehouses, service stations) Major investments to bring the Group's stores in line with F-Gas regulations	Development of alternative fuels, green mobility solutions and low-carbon delivery services (soft mobility, electric vehicles, etc.)
	Downstream	Carrefour accused of using unsafe ingredients in its products and distributing products that emit polluting substances during their use (cosmetics, textiles, etc.) Increase in the recall of products contaminated by crop protection agents, pesticides or health disasters	Development of a range of natural products (free of controversial or potentially harmful substances) that respond to customer requirements (organic, bulk, pesticide-free, zero antibiotics, etc.)
Consumption of marine resources and degradation of marine ecosystems	Upstream	Increasing scarcity and non-renewal of marine resources: higher prices and more limited store offerings Reorganisation of animal production chains dependent on marine resources (animal feed), leading to supply disruptions and/or increased costs for these products	
	Downstream	Loss of attractiveness of certain non-sustainable products (lack of MSC, ASC or organic certification, use of non-selective fishing techniques, lack of sustainable aquaculture practices) Legal action started against Carrefour for the sale of non-sustainable seafood	
Microplastics	Upstream/ Operations	Additional costs for using alternatives to plastic products and packaging due to the phasing out of plastic and growing demand for alternative materials	Offer plastic-free products and packaging in the face of consumer concern
	Downstream	Loss of attractiveness of certain products when over-packaged in plastic (fruit and vegetables) Carrefour accused of releasing microplastics from products and packaging into the food supply and the environment	Offer plastic-free products and packaging in the face of consumer concern
Substances of high and very high concern	Upstream	Need to review product specifications and modify product composition and production processes	Anticipate the removal of substances of concern and very high concern to speed the introduction of new solutions
	Operations	Increased operational costs for managing hazardous waste and taxes expenses related to ecological organistaions	
	Downstream	Increased withdrawals and recalls out of precaution A health and/or environmental scandal involving a product containing substances of concern	Anticipate the removal of substances of concern and very high concern in order to differentiate the offering

Coalitions and partnerships

ADEME's "Entreprises et biodiversité" working group in France	Entreprises engagées pour la nature	Science-Based Targets network (SBTn)	Task Force for Nature Disclosure (TNFD)
WWF France	Lab Capital Naturel	Act for Nature International	Forest Positive Coalition (Consumer Goods Forum)

Contributions to the Sustainable Development Goals

SUMMARY OF OUR OBJECTIVES AND OUTCOMES

Topic	Objective	2023 Result	2022 Result	Change	Target
Promoting responsible consumption					
Promoting the consumption of certified sustainable products	**Sales of certified sustainable products[1] (in millions of euros)**	5,282	5,142	+2.7%	€8 billion by 2026
	of which sales of organic products (in millions of euros)[2]	2,531	2,616	-3.2%	
	of which sales of Carrefour Quality Lines products (in millions of euros)[3]	1,108	1,132	-2.1%	
	of which sales of products that comply with our sustainable forestry policy[4] (in millions of euros)	871	871	0%	
	of which sales of products that comply with our sustainable fishing policy[5] – excluding organic products and Carrefour Quality Lines[6] (in millions of euros)	707	492	+43.8%	
	of which sales of products with other environmental certifications[7] (in millions of euros)	57	31	+82.3%	
Promoting sustainable agriculture					
Promoting sustainable agriculture	**Percentage of sales of fresh food products sourced from organic or agroecological farmers[8]**	6.5%	4.8%	+1.8 pts	+15% by 2025
	Number of Carrefour-branded organic product references	1,163	1,247	-6.7	
	Percentage of sales of Carrefour Quality Lines fresh products committed to an agroecological approach[9] (share of sales, as a %)	28.4%	6.5%	+21.9 pts	100% by 2025
	Market penetration rate of Carrefour Quality Lines in fresh produce (%)[10]	7%	6.9%	+0.1 pts	
	Number of partner producers[11]	46,013	37,758	+21.9%	50,000 by 2026
	of which organic farming partner producers (supported through sector-based contractual arrangements)[12]	4,997	3,637	+37.4%	
	of which Carrefour Quality Lines partner producers[13]	16,872	22,176	-23.9%	
	of which regional or ultra-local partner producers[14]	11,838	11,945	-0.8%	
	of which producers who are partners in other collective initiatives[15][16]	12,306	New		

Topic	Objective	2023 Result	2022 Result	Change	Target
Sensitive raw materials					
Raw materials associated with a risk of deforestation	Palm oil: Percentage of palm oil used in Carrefour-branded products that is fully traced (RSPO Segregated certified)[17]	95.3%	83.7%	+11.6 pts	100%
	Palm oil: Percentage of palm oil used in Carrefour-branded products certified RSPO or equivalent	100.0%	99.9%	+0.1 pts	100%
	Wood and paper: Percentage of Carrefour-branded products in ten priority categories sourced from sustainable forests[18]	96.3%	90.7%	+5.6 pts	100%
	Soy: Percentage of Carrefour Quality Lines and other key Carrefour-branded products that use zero-deforestation soy as animal feed[19]	21.7%	19.7%	+2.1 pts	100% by 2025
	Cocoa: Percentage of Carrefour-branded chocolate bars that comply with our Sustainable Cocoa Charter[20]	31.6%	31.4%	+0.2 pts	100% by 2023
	Traceability and assessment of traders: Percentage of key traders assessed	100%	100%		100% by 2025
	Traceability and assessment of traders: Percentage of key traders making progress towards complying with our policy	33%	Assessed based on 2022 data		100% by 2025
	Brazilian beef[21]: 100% Brazilian beef will be zero deforestation for Carrefour brands by 2026, and for other brands by 2030	Methodology currently under development			100% by 2030
	Brazilian beef: Percentage of Brazilian beef suppliers that are geo-monitored and comply with our forest policy or are committed to an ambitious policy to combat deforestation	100%	89.70%	+10.3 pts	100% by 2025
Sourcing responsible textile raw materials	Percentage of natural textile raw materials which comply with our responsible TEX policy[22] (cotton, wood fibres, wool, cashmere)	52.3%	46.40%	+5.8 pts	100% by 2025
	Cotton: Percentage of TEX products made from organic cotton and whose producers are paid fairly	20.6%	21%	-0.4 pts	50% by 2027
	Wood fibre: Percentage of viscose TEX products made from wood fibre sourced from sustainably managed, FSC (Forest Stewardship Council) certified forests	96.3%	70.9%	+25.4 pts	100% by 2023
	Wool: Percentage of wool TEX products sourced from traceable quality lines that guarantee animal welfare and prevent desertification	58.7%	25.1%	+33.6 pts	100% by 2025
	Cashmere: Percentage of cashmere TEX products sourced from traceable quality lines that guarantee animal welfare and prevent desertification	100%	100%	0 pts	100% by 2021

Topic	Objective	2023 Result	2022 Result	Change	Target
Supporting sustainable fishing and aquaculture	Percentage of sales of fishery and aquaculture products, controlled products, and national brands produced using sustainable practices[23]	57.1%	34.50%	+22.6 pts	50% by 2025
	Percentage of sales of controlled fishery and aquaculture products produced using sustainable practices[24]	60.9%	49.50%	+11.4 pts	50%
Preventing the impact of different types of pollution on biodiversity					
Preventing the impact of different types of pollution on biodiversity	*Methodology currently under development*				
	For objectives relating to packaging and plastic management, see Section 2.1.3 Circular economy				
	For objectives relating to the impact of farming practices, see the objectives below on promoting sustainable agriculture				
Limiting the environmental impact of our sites					
Limiting the environmental impact of our sites	- New projects certified to BREEAM (BRE Environmental Method) New Construction standards (in %)[25]	0[26]	100%		100%
	- Shopping malls certified to BREEAM In-Use standards (as a % of asset value)	95.8%	94%	+1.8 pts	
	* of which Very Good (as a % of asset value)	31%	33%	-2 pts	
	For objectives relating to waste management and food waste, see Section 2.1.3 Circular economy		-		

Topic	Objective	2023 Result	2022 Result	Change	Target
Promoting responsible water consumption					
Promoting more responsible water consumption	Water consumption per sq.m. of sales area (cu.m.)(27)	1.27	1.32	-4%	
	Amount of water consumed (in millions of cu.m)(28)	8.2	12.2	-32%	
	For objectives relating to water quality, see the objectives below on responsible consumption and sustainable agriculture				

(1) Certified sustainable products: The products considered here are organic products, Carrefour Quality Lines, certified wood and paper products, certified seafood products and other products with environmental certification (e.g., Blue Angel, NF Environnement, Ecolabel Européen).
(2) Scope: 99.8% of 2023 consolidated net sales Non-comparable BUs (BR SAMS excl. in 2023; BR AT, BR SAMS excl. in 2022).
(3) Scope: 100% of 2023 consolidated net sales. Comparable BUs.
(4) Through its sustainable forestry policy, the Carrefour group aims to move towards zero deforestation. Any wood, wood pulp, paper, and their derivatives sourced for both commercial and non-commercial goods must not only guarantee compliance with the law, but also go well beyond it by respecting the criteria set out in the suppliers' Wood Charter. Scope: 100% of 2023 consolidated net sales. Non-comparable BUs (MN FR, IT, RO, BR incl. in 2023. Change in scope and reporting methodology. Data reported in 2022 = 272.
(5) Products that comply with our sustainable fishing policy: ASC, MSC, organic and Carrefour Quality Lines products, species on the green list, products from a sustainable fishing/confirmed responsible farming approach or from fisheries that have set up a local improvement project. Organic and CQL are reported in the dedicated categories.
(6) Scope: 98% of 2023 consolidated net sales. Non-comparable BUs (BR C ES (MN) excl. in 2022).
(7) European Ecolabel and other equivalent responsible approaches. Scope: 95% of 2023 consolidated net sales. Non-comparable BUs (BR & MN (IT & AR) excl. in 2023).
(8) Scope: 84% of 2023 consolidated net sales. Non-comparable BUs (ES, BR AT & BR SAMS excl. in 2023 and only excl. PL and BR C for agroecology; in 2022 agroecology only concerned France).
(9) Scope: 91% of 2023 consolidated net sales. Non-comparable BUs (PL, BR excl. in 2023; FR only in 2022).
(10) Scope: 86% of 2023 consolidated net sales. Non-comparable BUs (ES excl. in 2023; AR excl. in 2022).
(10) National partner producers in organic farming, Carrefour Quality Lines, regional and local producers from other collective approaches. Scope: 95% of 2023 consolidated net sales. Non-comparable BUs (BR, ES organic, IT organic excl. in 2023; BR incl., excl. partners from other approaches in 2022).
(11) Scope: 86% of 2023 consolidated net sales. Non-comparable BUs (ES, IT excl. in 2023).
(12) Scope: 98% of 2023 consolidated net sales. Non-comparable BUs (BR excl. in 2023).
(13) Scope: 96% of 2023 consolidated net sales. Non-comparable BUs (BR only in 2023; AR ultra-local excl. in 2023).
(14) Scope: 100% of 2023 consolidated net sales. FR only in 2023.
(15) Partner producer whose agricultural production method is sustainable and covered by an official quality label, a quality label covered by local legislation or a private label whose specifications are public and controlled by an independent inspection body.
(16) Scope: 100% of 2023 consolidated net sales. Comparable BUs.
(17) Scope: 100% of 2023 consolidated net sales. Comparable BUs. The certifications recognised here are POIG, RSPO IP, RSPO Segregated and RSPO Mass Balance. Palm oil derivatives used in household, perfume and hygiene products are not included in this indicator due to a lack of traceability.
(18) Scope: 100% of 2023 consolidated net sales. Non-comparable BUs (BR C excl. in 2023; AR, BR C, IT excl. in 2022)
(19) 95% of 2023 consolidated net sales. Non-comparable BUs (BR C excl. in 2023; AR, BR, C, IT excl. in 2022).
(20) Cocoa (paste) is considered to be sustainable and traceable, guaranteeing zero deforestation, fair compensation for producers and the absence of child labour. Scope: BE, ES, FR, IT. Comparable BUs. 100% of 2023 consolidated gross sales.
(21) Scope: Carrefour Brazil and Atacadão. Direct supplier of fresh, frozen and processed meat, distributor and warehouses.
(22) Textile sector with ambitious targets for the sustainability of materials, reduction of environmental impacts and supply chain transparency.
(23) Responsible fishing: fishing of abundant species with techniques that have the lowest impact on ecosystems while supporting local fishing. Scope: 87% of 2023 consolidated net sales. Non-comparable BUs (ES, BR AT, BR SAMS excl. in 2023; BR excl. in 2022).
(24) Scope: 62% of 2023 consolidated net sales. Non-comparable BUs (FR, ES, AR excl. in 2023; BR excl. in 2022).
(25) Scope: sites managed by Carmila in Spain, France and Italy.
(26) No new shopping mall projects in 2023.
(27) Scope: 68% of 2023 consolidated net sales. Non-comparable BUs (BR excl. in 2023).
(28) Scope: 68% of 2023 consolidated net sales. Non-comparable BUs (BR excl. in 2023).

2.1.2.2 Our action plans

1. Promoting responsible consumption and more sustainable agriculture

Responsible consumption

Customer expectations of more sustainable food are evolving, going beyond organic food and extending to short circuits, local sourcing and sustainable agriculture products. To meet consumer requirements, the Group is aiming for 8 billion euros in sales from certified sustainable products by 2026 (vs. 5.1 billion euros in 2022). This target takes into account certified organic farming products, Carrefour Quality Lines, more environmentally-friendly fishing products (MSC, ASC, other responsible approaches), wood and paper products (FSC, PEFC, recycled) and Ecolabel certified products.

Developing an affordable organic offering

The Group activates three drivers to develop its organic offering: 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.

In the majority of countries where it operates, the Group offers its organic farming suppliers multi-year contracts that commit to volumes or purchase prices and take account of production constraints. Where national laws allow, 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 in particular. In 2023, Carrefour partnered with 4,997 organic producers.

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 hypermarkets 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-2023, the Group had 138 specialised organic stores in France.

Promoting practices inspired by agroecology *via* Carrefour Quality Lines (CQLs)

Carrefour has a unique tool for developing agroecology [1]: the Carrefour Quality Lines (CQLs). 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"). 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. In 2023, 7.4% of Carrefour Quality Lines had an agroecological label (compared to 6.5% in 2022).

Carrefour 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. Customers are invited to learn about this programme through an agroecological label displayed on the product.

Through its Carrefour Quality Lines, the Group establishes multi-year partnerships with a view to guaranteeing greater visibility and more opportunities for producers. Carrefour thus provides volume guarantees to take account of production requirements and constraints and/or price guarantees to ensure fair compensation for the producer and to finance the constraints of the Carrefour specifications. In 2023, 16,872 producers around the world partnered with Carrefour Quality Lines.

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.

Supporting suppliers

Carrefour supports its lines to facilitate the 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; developing and showcasing a responsible product offering; and creating financing solutions. Carrefour has set an objective to work with 50,000 organic, Carrefour Quality Line, regional or local partner producers and other collective initiatives bound by specifications by 2026. In 2023, Carrefour had 46,013 partner producers worldwide.

(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.

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. To expand business with SMEs, each country develops a system of close ties and sets up special contracts that guarantee fair pricing and shorter payment terms.

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 250 projects have been financed via this platform, and Carrefour paid out more than 100,000 euros to project winners at end 2023.

In addition to providing support via sector-based contractual arrangements, Carrefour supports the localisation of supply chains, such as organic raspberry and blueberry production, through its foundation. In 2023, 29 sustainable and solidarity-based agricultural projects were funded by the Foundation for a total amount of 2,246,740 euros (29% of the overall budget). In this way, the Carrefour Foundation helps to create fair and steady compensation for producers.

2. Protecting biodiversity in the procurement of sensitive raw materials

Following a Group-wide risk analysis, certain raw materials are classified as being 'sensitive' due to their potential socio-environmental impact and their relative weight in the business. These raw materials are subject to closer scrutiny, with action plans and objectives drawn up. The sensitive raw materials and action plans are outlined in in the Duty of Care Plan (see Section 2.2 of this document). The objectives relating to the sensitive raw materials have been integrated into the Group's CSR index (see Section 1.5.3 Summary of 2023 non-financial performance).

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 2023 and circulated to all countries. Training courses were organised for the Merchandise and Quality departments.

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. The reliability of the assessment criteria was improved in 2023 so that progress made by traders could be measured.

3. Preventing the impact of different types of pollution on biodiversity

Pollution control is managed cross-functionally via climate, biodiversity and circular economy action plans, among others. The policies and action plans have a positive impact on reducing water and land pollution by striving to increase the proportion of sustainable and organic farming. The table below shows the different types of pollution that are being addressed for each of Carrefour's sustainability strategy focuses:

	AIR	WATER	LAND	LIVING ORGANISMS	SUBSTANCES OF HIGH AND VERY HIGH CONCERN
Protecting biodiversity for the supply of sensitive raw materials	X	X	X	X	
Supporting the transition to sustainable agriculture	X	X	X	X	X
Guaranteeing responsible water consumption		X		X	
Limiting the environmental impact of our sites			X	X	
Circular economy	X			X	X
Climate	X			X	X

4. Limiting the environmental impact of our sites

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. All new shopping malls are BREEAM New construction certified. BREEAM In-Use certification is renewed every three years further to an audit.

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 regulates the operational sites. 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.

The objectives and action plans relating to waste management and food waste are detailed in Section 2.1.3. "Circular economy".

5. Guaranteeing responsible water consumption

In 2021, Carrefour updated an analysis of the climate-related physical risks for all its sites, notably including the risk of drought or flooding. 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. 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. Given the nature of their business, stores do not produce heavily polluted wastewater.

Carrefour is working to reduce water consumption per sq.m. of sales area. Stores are gradually phasing in solutions to reduce their water consumption, including precise monitoring (with dedicated meters), and new solutions. In 2023, Carrefour committed to reducing the water consumption of its French stores by 10% by 2025. To achieve this, it is introducing a new set of waste-reducing initiatives:

- producing just the right amount of ice and installing units with white walls at the fish counters;
- deploying water-saving guns across the cold water network so that flow can be adjusted to meet needs;
- installing ovens with steam cleaning systems when the time comes to replace equipment;
- investing so as to optimise the way in which the internal network is managed, and adopting best practices in this regard (diagnostics to tackle water leaks, etc.).

In the procurement process, Carrefour seeks to limit the water footprint and impact of its products. After identifying priority product categories, Carrefour made a commitment to increase the procurement of products made using sustainable practices (see section on "Promoting responsible consumption and sustainable agriculture") and put in place a supplier listing and responsible purchasing policy (see section on the "Procurement of sensitive raw materials").

In this regard, it helps suppliers manage water through initiatives that have similar requirements to those imposed on Carrefour Quality Lines products. For example, within the CQLs, gravity-fed irrigation is prohibited. If a supplier uses this type of irrigation, a progress plan is set up to help it switch to another method. The textile supply chains were identified by Carrefour as being a major water pollution risk. The Group has developed Clean Water Project, a programme designed to raise awareness, train and audit textile suppliers in the management and efficiency of water and chemical consuming processes.

2.1.3 CIRCULAR ECONOMY

2.1.3.1 Our objectives and outcomes

Overview

Given the nature of its operations, Carrefour generates a significant volume of waste in its stores, logistics centres and throughout its supply chain. The manner of handling this waste varies depending on regulations and consumer purchasing habits in each of the Group's host countries. Significant disparities exist between countries, such as the plastic recycling rate and, especially, the non-household plastic waste rate, which ranges from 1% in Brazil to 26% in France and 47% in Spain [(1)].

The retail industry has a decisive role to play in innovating, changing practices and meeting the demands of consumers, who are already committed to the cause of recyclable or reusable packaging.

Similarly, food waste is a concern that spans the entire supply chain, from production lines, warehouses and stores to consumers. In 2023, the UN outlined that 13% of the world's food is lost between harvest and sale, and 17% of the world's total food production is wasted by individual consumers, in restaurants and in retail. This waste, which has multiple causes (overproduction, calibration criteria, cold chain interruptions, poor inventory management, supply-demand mismatching, etc.), occurs at all stages, from farm to fork. Each link in the chain therefore has a role to play in limiting losses.

Impact of plastics

Carrefour conducted a macro-analysis of the impacts of plastic associated with its partners' operations in key stages of the supply chain, taking into account the treatment capacity of the Group's integrated countries. The main plastic risks are identified at the various stages of the product life cycle, presented in the first part of the analysis.

(1) Data taken from the plastics risk map drawn up by the Group.

Carrefour's value chain

Visual representation of the amount of plastic
present at each stage of the value chain

Upstream	Transport and logistics	Stores and visitors	Products
e.g., fishing nets, garden tarps	*e.g., plastic foil, bubble wrap*	*e.g., POS, plastic bags, gloves, bins*	*e.g., primary/secondary products and packaging*

Plastic manufacturing

Products sold make up for an estimated 90% of the plastic manufactured and used as part of the Group's activities, and 80% of this plastic comes from packaging.

The main impacts linked to the manufacture of plastics include soil and water pollution during oil extraction and energy consumption and GHG emissions during its transformation into plastic as well as polluting emissions in the air.

End-of-life plastics

When it comes to end-of-life plastics, processing and recycling capacities in the countries in which the Group operates and the quantity of plastic involved in each country determine the risks. An estimated 20% of the plastic manufactured and used throughout the value chain is recycled, 38% is incinerated, 56% is sent to landfills, and 6% is uncollected. Indeed, the recycling rate of plastic, especially plastic not derived from household waste, varies from country to country, from 1% in Brazil to 26% in France and 47% in Spain. These three priority countries for the Group together represent more than 3/4 of the volume of plastics produced.

The main impacts related to end-of-life plastics include air pollution and GHG emissions when the end-of-life plastic is incinerated at the end of its life or soil and water pollution in case of burial or discharge into nature.

Released microplastics

Microplastics can be released at different stages of the value chain. They can be released into the air, due to the use of vehicles for the transport of goods or the movement of visitors. They can also be released into the water, for example through the washing of clothes.

The main impacts linked to the release of microplastics include air, soil, and water pollution.

Migration of toxic substances

Prolonged interaction of plastics with liquid or moist food products may result in the migration of sensitive substances into the food, particularly in connection with the presence of additives. Rare non-food products may present the same risk of transfer.

The main impacts related to migration of toxic substances include adverse effects on human health through the migration of toxic substances from plastic packaging into food.

The major risks identified in relation to the circular economy are "Waste and waste management" and "Ecodesign and resource circularity". These risks are present upstream, within operations and downstream as detailed below:

TYPE OF RISK	VALUE CHAIN	RISK	OPPORTUNITIES
Upstream waste and waste management	Upstream	Increased production costs due to additional waste management costs incurred by suppliers	Development of new anti-waste production standards to reduce costs
	Operations	Increased costs for the treatment of non-recycled waste Fines for non-compliance with regulations on the treatment of waste and food waste	Economic gains from the sale of recoverable or recyclable materials Improved operational efficiency (inventory management, markdowns, waste treatment) and increased store revenue
	Downstream	Loss of attractiveness of the retail model due to poor waste and food waste management	Increase in the Group's sales capacity through differentiated prices based on use-by dates Development of an anti-waste, second-hand or reusable offering, or another concept related to the circular economy
Ecodesign and resource circularity	Upstream	Increase in raw material sourcing costs due to resource depletion	Decrease in sourcing costs through reduced material/packaging quantities and ecodesign
	Operations	Loss of attractiveness and questioning of the retail model related the poor use of certain resources	Development of guidelines for the proper use and recovery of resources and reduction of product costs
	Downstream	Heightened environmental expectations among consumers relating to packaging, plastics and the circular economy	Development of bulk products and services based on circularity and reparability

SUMMARY OF OUR OBJECTIVES AND OUTCOMES

Topic	Objective	2023	2022	Change	Target
Waste	Percentage of hypermarket and supermarket waste recovered *(in terms of weight)*[1]	69.8%	74.5%	-4.7%	100% by 2025
	Total weight of waste produced by stores *(in tonnes)*[2]	671	587	+14.3%	
Food waste	Percentage of food waste avoided in stores compared to 2016[3]	-35.7%	-39.9%	+4.2%	-50% by 2025 vs. 2016
	Percentage of food waste avoided in stores compared to 2022[4]	2.1%	*New*	*New*	
	Weight of unsold products recovered through sale of food baskets in partnership with Too Good To Go *(in tonnes)*	3,904	3,437	+13.6%	
	Number of meal equivalents of unsold products donated to food aid associations *(in millions of meals)*	48.7	45.7	+6.6%	
Packaging	Sales of bulk products and goods sold in returnable packaging *(in thousands of euros)*	256	*New*	*New*	€300m by 2026
	of which bulk products *(in thousands of euros)*	42	*New*	*New*	
	of which goods sold in returnable packaging *(in thousands of euros)*	214	*New*	*New*	
	Percentage of Carrefour-branded packaging that is reusable, recyclable or compostable[5]	69%	57%	+12 pts	100% by 2025
	Reduction in packaging since 2017 *(in tonnes)*	20,738	16,390	+26.5%	20,000 by 2025
	of which plastic packaging avoided since 2017 *(in tonnes)*	19,021	15,140	+25.6%	15,000 by 2025
	Percentage of Carrefour-branded packaging made with recycled plastic[6]	8.6%	7.70%	+0.9%	30% by 2025

(1) Scope: 97% of 2023 consolidated gross sales. Non-comparable BUs (IT (SM, CO, CC), ES (CO) excl. in 2023; BE (HM, SM), IT (CO, CC), ES (CO), RO (CO), BRC (CO) excl. in 2022).
(2) Scope: 97% of 2023 consolidated net sales. Non-comparable BUs (IT (SM), excl. in 2023, BE excl. in 2022.
(3) Scope: 72% of 2023 consolidated gross sales. Non-comparable BUs (ES (SM CO) excl. in 2022). The scope of the 2016 baseline excludes BE, BR AT and BR SAMS. Warehouses are included for RO. The Grupo BIG stores were consolidated in 2023.
(4) Scope: 76% of 2023 consolidated net sales. Methodology adjusted in 2023 in relation to the reference standards (see Section 2.4.1.).
(5) Scope: Composting not monitored to date. Scope: 100% of 2023 consolidated gross sales. Non-comparable BUs (ES, IT, PL and AR excl. in 2022).
(6) Scope: 96% of 2023 consolidated gross sales. Non-comparable BUs (BE excl. in 2023; BE, ES, IT, PL excl. in 2022).

Coalitions and partnerships

- Consumer Goods Forum (CGF)
- Ellen MacArthur Foundation
- Global Declaration on Plastics & New Plastics Economy
- France's National Pact on Plastic Packaging (PNEP)
- European Plastics Pact
- Food Transition Pact
- (RE)SET

Contributions to the Sustainable Development Goals

2.1.3.2 Our action plans

1. Recovering store waste

Carrefour is targeting minimum waste production and the recovery of all store waste [(1)] by 2025. 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. At Group level, 69.8% of waste was recovered in 2023, including 33,420 tonnes of plastic and 295,245 tonnes of cardboard. In France, unsold food items that cannot be donated to charities are transformed into biomethane (renewable gas produced from waste) used by Carrefour delivery vehicles to transport goods. One tonne of biomethane allows a truck to travel 250 kilometres. In 2023, the Group processed nearly 43,908 tonnes of organic waste.

On a global scale, Carrefour participates 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.

2. Combating food waste

Carrefour shares the Consumer Goods Forum (CGF) goal of achieving a 50% reduction in non-recovered food waste by 2025 (compared to 2016). In 2023, Carrefour became the first retailer to obtain France's "anti-food waste" label for its Montesson hypermarket. This label was awarded by Bureau Veritas following a successful audit of the Montesson store and the Group's head office. It rewards the banner's long-standing commitments in the fight against food waste.

For several years, solutions have been implemented in stores to improve inventory and order management, promote short-dated products, offer certain products after their best-before date (BBD) and recover damaged products to limit the overall quantity of markdowns. Carrefour offers discounts of 30% to 60% on short-dated products and sells a list of specific products past their BBD in a dedicated endcap with clear signage.

Carrefour has also expanded its Zero Waste baskets in fruit and vegetable sections. The cardboard baskets contain 2 kg of unsold products to combat food waste.

Carrefour continues to take action via the Too Good To Go application during the year, offering baskets of unsold food products at low prices. In 2023, 3,903,888 baskets were sold in Europe.

They are particularly popular among customers when inflation is high, as they enable them to buy quality products at reduced prices.

A process developed in close collaboration with charities is now in place both in France and worldwide for food items that have been withdrawn from sale: every morning, teams sort through products on shelves and donate healthy and acceptable unsold items to local food aid charities, without interrupting the cold chain. The amount of meal equivalents donated worldwide rose from 45 million in 2022 to 48 million in 2023 (a year-on-year increase of 3 million). Donations were distributed to food aid charities such as *Banque alimentaire* and *Restos du Cœur* in France. In Spain, Carrefour has launched a new product to combat food waste: jam made from overripe but still good quality fruit. This is a pioneering measure for the sector carried out in cooperation with Helios as part of the Zero Food Waste policy. Carrefour also continues to support various food aid charities such as *Restos du Cœur*, which it has now been supporting for 16 consecutive years.

3. Promoting ecodesign and reducing the use of plastic packaging

The Group's action plans revolve around four main themes:

- eliminating problematic or unnecessary packaging, with the goal of avoiding 20,000 tonnes of packaging by 2025 (cumulative since 2017);
- developing bulk sales and reuse, with the goal of generating 300 million euros in sales of bulk and reuse by 2026;
- promoting recyclability and recycling, with the goal of 100% reusable, recyclable or compostable packaging for Carrefour-branded products by 2025;
- increasing the proportion of recycled plastic in packaging, with the goal of integrating 30% recycled plastic into packaging for Carrefour-branded products by 2025.

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. In 2023, 306 suppliers were members of the Pact. The target is to increase their number to 500 by 2030. They are committed to an action plan that includes eliminating unnecessary packaging, reducing packaging volumes and providing clear information about recycling.

(1) Excluding franchised stores.

Eliminating all problematic or redundant packaging

Carrefour is developing plastic-free options in its stores. For example, bioplastic bags have been replaced by brown paper bags in the fruit and vegetable sections of several hypermarkets around France. The Group is also continuing its drive to replace plastic with recyclable alternatives. By 2023, 20,738 tonnes of primary packaging had been avoided since 2017 [(1)]. Carrefour has thus achieved its goal, two years ahead of its target. The main reductions in 2023 are attributable to concrete projects, such as the total replacement of plastic boxes for chicken with bags in France and the introduction of brown cardboard boxes for pastries in Spain. The search for more eco-friendly packaging extends to grocery, household, perfume and personal hygiene products, and as such the Soft Green range has been extended with a shampoo and a solid soap. Plastic is being phased out on a product-by-product basis, such as for razors, nappies and school supplies.

In June 2023, Carrefour took part in drawing up the roadmap on industrial and commercial plastic packaging with RESET, Perifem and the French Federation of Commerce and Distribution (FCD). The Group has decided to take practical initiatives, such as optimising the thickness of pallet films based on product/palette requirements, reducing the number of product references, expanding the use of pre-stretched film, and replacing films and covers.

Developing non-packaging and reusability solutions

Sharing the common objectives of the National Pact on Plastic Packaging, Carrefour aims to test and develop reusable, returnable and bulk sale business models for product families still not covered by these concepts by 2025. Carrefour wants to provide all consumers with the zero waste option, for example by making products available in returnable packaging or providing a selection of bulk products. The bulk offering is in fact being developed at all Carrefour store formats. More than 1,100 stores in France provide an assortment of bulk dry goods featuring up to 250 product references. In 2023, Carrefour achieved 256 million euros in sales of bulk products or goods sold in returnable packaging, which is ahead of its target. The sales target has been adjusted to 300 million euros in bulk and reuse by 2026, to take into account the development of reuse.

Through the “Bring Your Own Container” campaign, the Group seeks to raise customer awareness and encourage the use of reusable packaging for products purchased in fresh produce sections (seafood, meat, deli, etc.). Carrefour has also launched a stainless steel container initiative. To start with, customers purchase a stainless steel container in-store. Then, the next time they make a purchase and reuse the container, they receive a 10 euro cent discount if they are a loyalty cardholder. This campaign has been up and running in all hypermarkets and supermarkets in France since late 2023. Carrefour Spain has also introduced airtight stainless steel packaging as part of its Carrefour Home household products range.

In partnership with TerraCycle, Carrefour is positioning itself as a pioneer in reuse with the launch of Loop by Carrefour. This system allows consumers to return reusable containers. Once washed, containers are sent back to suppliers for reuse. Launched in October 2020, this initiative had been rolled out in 130 stores by the end of 2023. Carrefour also introduced returnable Drive bags in 2023. When customers collect their Drive orders, they are offered a returnable bag for 35 cents. To get their 35 cents back, they simply need to return the bags when they pick up their next Drive order. In Poland, Carrefour encourages the return of glass sparkling water bottles and has become the first retailer in the market to provide sparkling water in 1 litre glass bottles.

In France, the Group is in discussions with (RE)SET to create new reuse solutions for complex packaging formats, for biscuits, salads, etc. As part of the 3Rs roadmap (Reduction, Reuse, Recycling), (RE)SET member companies have collectively undertaken to replace PSE and Plastarch Material (PSM) trays used for meat and seafood products with PP, PE and PET recyclable materials. Lastly, the Group has launched a campaign to reuse e-commerce delivery bags.

Promoting ecodesign, recyclability and recycling

Where reducing the quantity of packaging and the number of products containing plastic is very challenging, Carrefour optimises the use and end-of-life of the plastics in question by ensuring their reuse and recyclability. Ecodesign is a way of increasing the recyclability of packaging. In Brazil, a recyclability diagnostic was performed on all the local Carrefour-brand suppliers, resulting in the replacement of more than 11 million types of packaging and non-recyclable products since 2020. The initiative is being promoted among consumers using a logo placed on all recycled, recyclable, reusable or compostable Carrefour-branded products.

To encourage recycling, Carrefour is working to improve collection and sorting. Following promising results, two additional Reverse Vending Machines (RVM) have been installed, one in the Chartres store and the other in Rambouillet, to collect PET bottles for recycling. In 2023, Carrefour France had 71 RVMs installed.

The Group is also considering more responsible practices for indirect purchasing. In line with the EIC roadmap developed with (RE)SET, Carrefour plans to test new solutions such as stretch films and covers made of recyclable resins (LDPE). A working group involving other banners is planning to draw up a list of products requiring opaque films and covers, and to share best practices in the area. If tests are conclusive, the sector could move towards fully recyclable resin stretch films and pallet covers by 2025.

(1) see Section 2.4 Methodological note

Integration of recycled plastic in packaging

Carrefour aims to incorporate 30% recycled plastics into own-brand packaging through work in two priority areas: offering consumers bottles made from recycled plastic and reducing the use of virgin plastic for cleaning products.

Carrefour was the first retailer in the French market to sell milk in fully recycled opaque PET bottles in a closed loop. The Group estimates that this initiative allows nearly 143 tonnes of virgin plastic to be avoided every year. Additionally, Carrefour Bio is the first private-label brand to allow customers to purchase 100% RPET and 100% recyclable bottles for its fruit nectars. This initiative avoids the use of 12 tonnes of virgin plastic each year.

The Group's commitment has also been extended to cleaning product ranges. Bottles of all Carrefour-branded dishwashing liquids are made from 50% recycled plastic, avoiding the use of 171 tonnes of virgin plastic each year.

2.1.4 CLIMATE

2.1.4.1 Overview of objectives

The fight against climate change is a major challenge of our century, with consumption and food playing an essential role. In 2015, the COP21 Paris 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. Aware of its impact, Carrefour aims to play a significant role in the fight against climate change through strong climate commitments and by engaging its stakeholders across the entire value chain from upstream to downstream.

The retail industry has a significant impact on the climate through the production, use and end-of-life of its products. The global food system was responsible for 34% of greenhouse gas emissions (GHG) worldwide in 2021 [1]. For Carrefour as a whole, 98% of greenhouse gas emissions are upstream and downstream of its operations (Scope 3) – mainly relating to the food and textile products that are sold. Emissions associated with operations are much lower, but still significant in absolute terms. In summary, they consist of Carrefour's Scope 1 and 2 emissions (due to energy consumption and refrigerant leaks from stores and sites operated by the Group). Lastly, franchisees contribute little to emissions through their stores (1% of Scope 3); however, they distribute the Group's products and are therefore included in the Group's carbon footprint and action plans (see Section 2.1.1.1 CSR governance and methodology).

Adapting to climate change is also a key challenge for Carrefour in addressing the risks of business disruptions throughout its value chain, which could hamper the availability of healthy and affordable food. Some raw materials, such as cocoa and coffee, are sensitive to climate change, drought and rising temperatures. Failure to adapt stores and product offerings to climate change could also pose a significant risk to Carrefour's operations.

Impacts, risks and opportunities

The risks related to climate change concern both Carrefour's contribution to climate change and the direct and indirect impacts of climate change on Carrefour's business. Four categories of risks are therefore analysed in the Group's scenario analysis:

- in-store physical risk: the Group's activities may be exposed to natural disasters and extreme weather conditions;
- regulatory risk, such as non-compliance with the F-Gas regulation applicable to refrigeration systems;
- market risk induced by new consumer patterns: local production, reduced consumption of animal proteins, etc.;
- risk of raw material supply chain disruption or increased raw material prices: close attention is paid to securing raw materials, especially those that are responsible for or are themselves sensitive to climate change. This phenomenon may also undermine the Group's suppliers and jeopardise the partnership relationships established with them.

(1) Source: JRC*https://www.nature.com/articles/s43016-021-00225*-9

The main climate-related risks identified by the Group are "Climate change mitigation", "Climate change adaptation" and "Energy". These risks are defined in the table below.

TYPE OF RISK	VALUE CHAIN	RISK	OPPORTUNITIES
Climate change mitigation	Upstream	Increased product costs due to inflation, and resource and raw material scarcity	Development of and support for a resilient agricultural model to secure supply chains
	In-house operations	Additional costs for goods transport due to higher carbon prices Fines and penalties for non-compliance with regulations, especially F-Gas	Reduced costs through greater operational efficiency for supply chains and the management of in-store refrigeration systems
	Downstream	Reduced attractiveness of products that exceed energy consumption and/or greenhouse gas emission standards Loss of market attractiveness and stakeholder interest in the absence of ambitious mitigation plans	Development of product lines with low-carbon in-use profiles
Climate change adaptation	Upstream	Climate events affecting yields and the quality of raw materials Irregular availability of products for consumers	-
	In-house operations	Climate events affecting employees Climate events causing material damage to buildings	
	Downstream	A product portfolio poorly adapted to climate change Climate events impacting personnel and productivity, as well as consumers	Development of an offering adapted to climate change (revised seasonality, new products, etc.)
Energy	Upstream	Increased energy costs across the production chain Competition for land use between energy production, organic farming, animal farming and farming for human consumption Energy shortages, disruption of activities leading to supply chain disruptions and customer dissatisfaction	Cost control through energy resilience linked to the supply of low-carbon energy for production and processing
	In-house operations	Greater scarcity of fossil resources, increasing and volatile energy prices Energy shortage, disruption of activities leading to interruptions in the cold chain and perishing of goods	Energy resilience/autonomy through the development of low-carbon processes and on-site energy production Development of an energy sales business: installation of solar panels, photovoltaic panels, heat pumps, green roofs, etc.
	Downstream	Loss of market attractiveness and stakeholder interest in the absence of energy efficiency plans	-

Coalitions and partnerships

- Business Ambition for 1.5°C
- International Sustainability Standards Board (ISSB)
- European Climate Pact
- Science Based Target Initiative (SBTi)
- Consumer Goods Forum (CGF)
- French Business Climate Pledge
- Food Transition Pact

Contributions to the Sustainable Development Goals

- 7 AFFORDABLE AND CLEAN ENERGY
- 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
- 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
- 13 CLIMATE ACTION

OUR OBJECTIVES/OUR OUTCOMES

Topic	Indicators	2023 Result	2022 Result	Change	Target
Scopes 1 & 2: Help integrated stores become carbon neutral by 2040					
Scope 1 & 2 GHG emissions	Scope 1 GHG emissions (in $tCO_2eq.$)[1]	782,709	581,593	+34.6%	
	Scope 2 GHG emissions (in $tCO_2eq.$, market based)[1]	626,321	631,402	-0.8%	
	Scope 1 + 2 GHG emissions (in $tCO_2eq.$, market based)[1]	1,409,030	1,212,995	+16.2%	
	Reduction of Scope 1 + 2 GHG emissions vs. 2019 (in $tCO_2eq.$, market based)[2]	-38.3%	-29.1%	-9.2 pts	-30% by 2026 -50% by 2030 -70% by 2040
	Reduction of Scope 1 GHG emissions vs. 2019 (in $tCO_2eq.$, market based)	-37.8%	-29.3%	-8.5 pts	
	Reduction of Scope 2 GHG emissions vs. 2019 (in $tCO_2eq.$, market based)	-39.0%	-39.0%	0 pts	
Renewable electricity supply for integrated stores	Percentage of renewable electricity in total electricity consumed (%)	3.7%	0.5%	+3.2 pts	100% by 2030
	Consumption of renewable electricity (MWh)	148,715	17,396	+754.9%	
	Number of sites equipped with solar panels for self-consumption (units)	137	18	+660%	
	Square metres of solar panels deployed in car parks and stores (sq.m.)	262,075	New	-	4.5 million by 2026
	Number of Power Purchase Agreements (PPA) signed (units)	4	New	-	
	Renewable energy supply through Power Purchase Agreements (in MWh by 2030 based on PPAs already signed)	100	New	-	

Topic	Indicators	2023 Result	2022 Result	Change	Target
Energy efficiency of integrated stores	Emissions from gas consumption ($tCO_2eq.$)	71,761	80,487	-10.8%	
	Emissions from fuel consumption ($tCO_2eq.$)	35,170	36,198	-2.8%	
	Emissions from electricity consumption ($tCO_2eq.$, market based)	626,321	631,402	-0.8%	
	Total emissions related to energy consumption ($tCO_2eq.$)(3)	733,252	748,087	-2.0%	
	Total energy consumption (MWh)(3)	4,556,990	4,087,417	+11.5%	
	Emissions intensity related to energy consumption ($kgCO_2eq./sq.m.$)(4)	73.9	83.7	-11.7%	
	Energy intensity ($kgCO_2/sq.m.$)(4)	459.5	457.2	+0.5%	
	Reduction in energy intensity vs.2019 (in %)(5)	-21%	-14%	-7.4 pts	-27.5% by 2030
Emissions related to the use of refrigerants for integrated stores	Total emissions from refrigerants ($tCO_2eq.$)(6)	675,777	464,908	+39.0%	
	Reduction in refrigerant-related emissions compared with 2019 (in %)(7)	-40%	-34%	+6 pts	50% by 2030 80% by 2040
	Emissions intensity from refrigerants ($kgCO_2/sq.m.$)(8)	68.6	62	+11%	
	Refrigerant consumption intensity (kg/1,000)(9)	43.7	39.6	+10%	
	Leakage rate (%)	35%	20%	+15 pts	
	Percentage of stores equipped with natural or hybrid refrigeration systems (%)	20%	20%	0 pts	
	Number of stores equipped with natural refrigeration systems (units)	247	227	+9%	
	Number of stores equipped with hybrid refrigeration systems (units)	234	298	-21%	
	Consumption of HFC fluids (kg)(10)	209,089	170,485	+23%	
	Consumption of HCFC fluids (kg)(11)	121,678	68,298	+78.2%	
	Consumption of CFC11 fluids (kg)(11)	0	0		
	Consumption of natural CO_2 and HC fluids (kg)(11)	100,037	58,170	+72%	

Topic	Indicators	2023 Result	2022 Result	Change	Target
Scope 3: Reduce Scope 3 emissions by 29% by 2030					
Scope 3 GHG emissions (Greenhouse Gas Protocol categories) ***estimated data**	Total Scope 3 GHG emissions from ($tCO_2eq.$)	See comprehensive diagnosis of the Scope 3 emissions below			
	Emissions related to downstream transport ($tCO_2eq.$)(12)	265,280	294,193	-10%	
	Reduction of emissions related to downstream transport vs.2019 (% $tCO_2eq.$)(12)	-21.3%	-12.7%	-8.6 pts	-20% by 2030
Supplier commitment and farming practices (1)	Number of suppliers committed to the Food Transition Pact	306	204	+50.0%	500 by 2030
	Percentage of the 100 biggest suppliers committed to a 1.5°C trajectory (%)	44%	27%	+17 pts	100% by 2026
	Number of partner producers (units)(13)	46,013	37,758	+21.9%	50,000 by 2026
	Percentage of sales of Carrefour Quality Lines products committed to an agroecological approach (share of sales, as a %)(14)	28.4%	6.5%	+21.9 pts	100% by 2026
	Percentage of sensitive raw materials covered by an action plan (in terms of action plans deployed)(15)	70.5%	New		100% by 2026
Fuel and green mobility	Number of parking spaces equipped with electric charging stations in France (units)	1,570	New		5,000 by 2025
Plant-based food	Sales from plant-based alternatives (in thousands of euros)	514			€650 million by 2026
	Number of Carrefour Sensation-brand (formerly Carrefour Veggie) product references in Europe	146	115	+27%	

(1) Carrefour believes that certain farming practices can reduce the carbon footprint of agriculture. Since 67% of the impact of food currently comes from agriculture, Carrefour's suppliers have committed to better agricultural practices.

Topic	Indicators	2023 Result	2022 Result	Change	Target
Downstream transport[12]	Emissions related to downstream transport – diesel ($tCO_2eq.$)	253,127	281,758	-10%	
	Emissions related to downstream transport – electricity ($tCO_2eq.$)	0	1	-100%	
	Emissions related to downstream transport – biofuel ($tCO_2eq.$)	12,153	12,197	0%	
	Emissions related to downstream transport – rail and boat ($tCO_2eq.$)	0	237	-100.0%	
	Emission intensity per pallet transported ($tCO_2eq.$/pallet)	5.7	5.7	0%	
	Distance travelled (in km)	376,467,626	410,072,990	-8%	
Other levers	Reduction in packaging since 2017 (in tonnes)[16]	20,738	16,390	+27%	20,000 tonnes by 2025
	Percentage of Carrefour-branded product packaging that is reusable, recyclable or compostable (%)[17]	69%	57%	+12 pts	100% by 2025
	Percentage of integrated recycled plastic content in packaging for Carrefour-branded products (%)[18]	8.6%	7.7%	+0.9 pts	30% by 2025
	Percentage of food waste avoided (in kg/sq.m.) compared to 2016[19]	-35.7%	-39.9%	+4.2 pts	-50% by 2025
	Percentage of store waste recovery[20]	69.8%	74.5%	-4.6 pts	100% by 2025

(1) Scope: 100% of 2023 consolidated net sales. Non-comparable BUs (BR BIG; BR AT, RO (CO) refrigerants excl. in 2022).

(2) Scope: 100% of 2023 consolidated net sales. Non-comparable BUs in 2023 and 2022. The 2019 baseline and 2023 data include BIG, Atacadão refrigerants and Romania (CO).

(3) Scope: Energy consumption includes heating oil, electricity and gas.

(4) Scope: 100% of 2023 consolidated net sales. Non-comparable BUs (BR BIG, RO (CO) excl. in 2022).

(5) Scope: 68% of 2023 consolidated net sales. Comparable Bus. BR excl. in 2022 and 2023.

(6) Scope: 100% of 2023 consolidated net sales. Non-comparable BUs (77% of 2022 consolidated net sales excl. BR AT).

(7) Scope: 100% of 2023 consolidated net sales. Non-comparable BUs (excl. ES (SM, CO), IT (CO), RO (warehouse), AR (C&C) in 2022). The 2019 baseline was adjusted in 2023 to include emissions from BIG stores and Atacadão refrigerants. The reduction in 2023 has been calculated by reference to this new baseline.

(8) Scope: 100% of 2023 consolidated net sales. Non-comparable BUs (BR excl. in 2023; BR BIG, BR AT excl. in 2022).

(9) Scope: 100% of 2023 consolidated net sales. Non-comparable BUs (BR excl. in 2023; BR BIG, BR AT excl. in 2022 and 2019).

(10) Scope: 69% of 2023 consolidated net sales. Non-comparable BUs (BR excl. in 2023; BR BIG, BR AT excl. in 2022).

(11) Scope: 100% of 2023 consolidated net sales. Non-comparable BUs (77% of consolidated sales in 2022, excl. BR AT).

(12) Scope: 69% of 2023 consolidated net sales. Non-comparable BUs (BR excl. in 2023; BIR BIG, BR AT excl. in 2022 and 2019).

(13) Scope: 95% of 2023 consolidated net sales. Non-comparable BUs (BR, ES organic, IT organic excl. in 2023; BR included, excluding partners from other approaches in 2022).

(14) Scope: 91% of 2023 consolidated net sales. Non-comparable BUs (PL, BR C excl. in 2023; FR only in 2022).

(15) Scope: 100% of 2023 consolidated net sales. New indicator. RO excluded in 2023..

(16) Scope: 100% of 2023 consolidated net sales. Non-comparable BUs (BR AT, BR SAMS excl. in 2022).

(17) Scope: 100% of 2023 consolidated net sales. Non-comparable BUs (FR, BE, RO, BR C only in 2022).

(18) Scope: 96% of 2023 consolidated net sales. Non-comparable BUs (BE excl. in 2023; FR, RO, BR C only in 2022).

(19) Scope: 72% of 2023 consolidated net sales. Non-comparable BUs (BE, BR AT, BR SAMS excl. in 2023; BE, ES (SM, CO), IT (CO), BR AT, BR SAMS excl. in 2022).

(20) Scope: 97% of 2023 consolidated net sales. Non-comparable BUs (IT (SM, CO, CC), ES (CO) excl. in 2023; BE (HM, SM), IT (CO, CC), ES (CO), RO (CO), BRC (CO) excl. in 2022).

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2.1.4.2 Our action plans

The Carrefour group has implemented a climate change strategy based on assessing its CO_2 emissions, shaped by a dual process of climate change mitigation and adaptation.

Climate Plan governance: The Climate Plan involves all levels of the Group: the Executive Committee defines the strategy; the Board of Directors approves it; and the CSR Committee of the Board of Directors reviews the climate strategy and performance annually. Country managers implement the climate strategy locally, and technical, asset management, merchandise and other key departments implement the roadmaps. The CSR teams within the Group's Engagement department coordinate the implementation of the Group's climate plan under the supervision of the Engagement Director (member of the Executive Committee).

The following committees play a steering role:

- the Group Investment Committee (GIC) oversees the roll-out of the store carbon neutrality roadmap. An international committee comprising teams from all countries meets regularly to monitor the implementation of this roadmap;
- a Group committee bringing together asset, CSR and real estate teams from all operating countries was created in 2023 to ensure that the physical risks associated with climate change are taken into account for sites. This committee is responsible for ensuring the adaptation of sites to climate change;
- the Food Transition Pact allows commitments to be implemented with the Group's suppliers internationally and in the various countries.

Carrefour deployed a CSR and Food Transition index (see section 1.5.3 Non-financial performance) in order to monitor the achievement of its objectives, assess its CSR performance and motivate its in-house teams. More than half of the targets of this index are directly or indirectly climate-related (Scopes 1, 2 or 3). In total, 55% of the CSR index score depends on the Group's climate performance. The Group's performance in meeting these targets is factored into the compensation of the Chairman and Chief Executive Officer and all members of the Group Executive Committee and national Executive Committees (20%); into the calculation of the compensation of senior managers as part of a long-term incentive plan (approximately 700 recipients) (25%); into the collective portion of the annual variable compensation of employees in France (between 4% and 12% of bonuses for about 10,000 people); and into the variable compensation of managers in the Group entity (over 600 people) (10%).

Diagnostic of the Carrefour group's GHG emissions: In 2019, Carrefour conducted a diagnostic of indirect emissions related to the Group's activities. It is updated annually to fine-tune measurement of the impact. The 2022 diagnostic showed that over 98% of the Group's GHG emissions are linked to indirect activities, with the main sources being the production of products sold in stores (69%), the use of products sold (18%) and goods transport (9%) [1].

(1) The Carrefour group's Scope 3 data constitute the best possible estimates using methodologies available to date, particularly regarding the impact of products sold. Carrefour continues to strive to improve the related disclosures in cooperation with experts and its suppliers. At this stage, the data available do not allow for a detailed account of the actions implemented by the Group or its suppliers (e.g., combating deforestation, agricultural practices, reducing packaging, etc.). These data therefore cannot be used as a performance indicator, although they do provide a more accurate view of the Group's footprint.

COMPREHENSIVE SUMMARY OF THE CARREFOUR GROUP'S SCOPE 3 EMISSIONS [1]

CATEGORY	% IN 2022	CHANGE, 2022 VS. 2021	CHANGE, 2022 VS. 2019	2022	2021	2019
Total Scope 3 GHG emissions ($tCO_2eq.$)	**100%**	**+3%**	**+3%**	**96,221,746**	**93,127,603**	**93,720,243**
Scope 3 GHG emissions intensity (gCO_2/€)	-	(4)%	(5)%	10.5	10.9	11.0
Purchases of goods and services	68.7%	+4%	+6%	66,101,437	63,642,943	62,378,357
of which purchases of goods and services – *integrated stores*	43.9%	+4%	+6%	47,460,832	45,695,633	44,787,660
*of which purchases of goods and services – franchised stores**	19.4%	+4%	+6%	18,640,605	17,947,310	17,590,697
Use of products sold	18.1%	+1%	(8)%	17,422,277	17,303,528	18,984,841
of which use of products sold – fuels	15.3%	+1%	(10)%	14,679,629	15,088,180	16,321,586
of which use of products sold – other	2.9%	+1%	+3%	2,742,648	2,215,348	2,663,255
Inbound transport	9.2%	+3%	+7%	8,874,671	8,611,858	8,270,488
Franchises	0.9%	+7%	(15)%	849,512	796,022	998,995
Investments	0.8%	0%	0%	807,300	807,300	810,000
Purchases of fixed assets	0.6%	+39%	(7)%	621,000	446,760	669,960
Waste generated during operations	0.4%	(8)%	(4)%	428,516	464,083	444,410
End of life of products sold	0.3%	+27%	+28%	308,826	243,588	240,736
Downstream transport	0.3%	(4)%	(13)%	294,193	306,872	337,095
Downstream leasing	0.2%	+13%	(17)%	208,421	184,668	252,611
Employee commuting	0.2%	(3)%	(3)%	155,301	159,783	160,642
Upstream energy emissions	0.2%	(6)%	(13)%	144,801	154,548	166,427
Business travel	0%	(3)%	(3)%	5,492	5,650	5,681
Upstream leasing	N/A	-	-	0	0	0
Treatment of products sold	N/A	-	-	0	0	0
Customer travel	Not integrated to date					
Purchases of goods and services from international franchise partners	Not integrated to date					

*excluding international franchise/partners.

Helping stores become carbon neutral (Scopes 1 and 2)

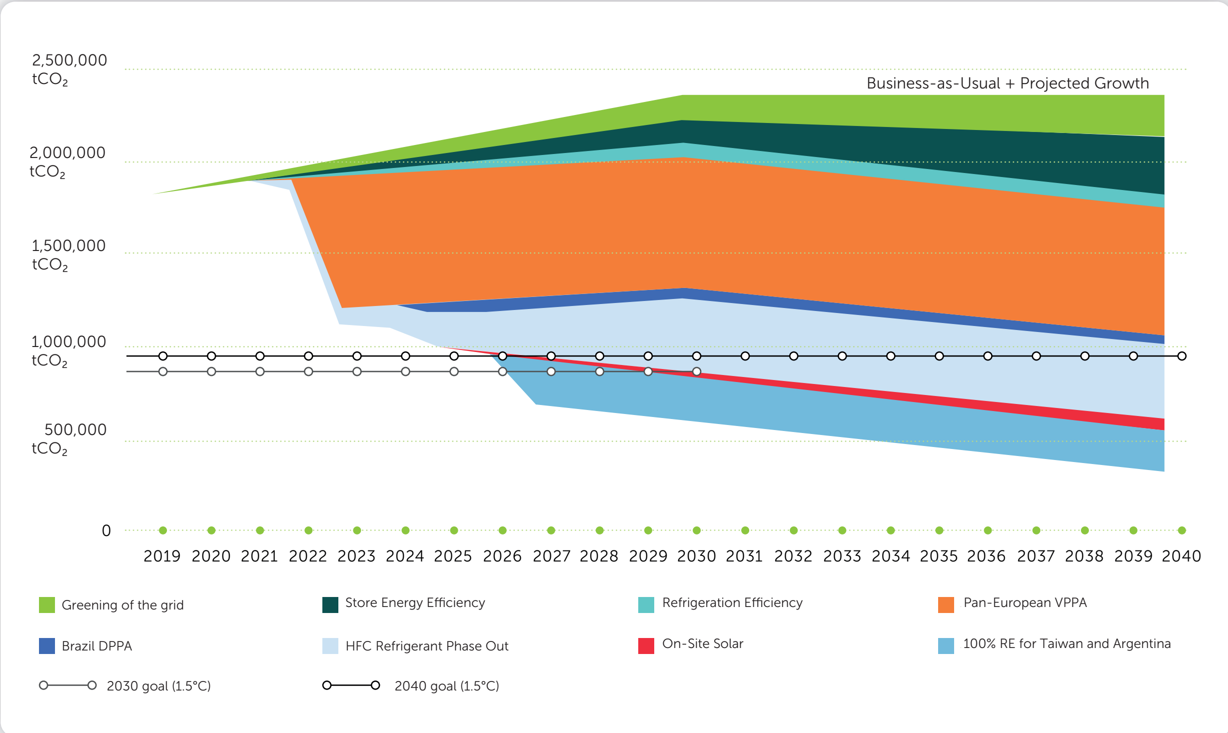
Carrefour has committed to reducing its CO_2 emissions for Scopes 1 and 2 by 30% by 2025, 50% by 2030 and 70% by 2040 (compared to 2019). These targets for integrated stores (Scopes 1 and 2) are aligned with a greenhouse gas (GHG) emissions reduction trajectory consistent with a "below 1.5°C" scenario.

It should be noted that taking into account direct and indirect GHG emissions across Scopes 1, 2 and 3 combined, the Group's targets are aligned with a trajectory consistent with a "well below 2°C" scenario and have been validated by the Science Based Targets initiative.

(1) Scope: Following the sale of the Taiwan BU in 2022, the relevant data have been removed from the scope for all years since 2019. Following the acquisition of Grupo BIG in Brazil in 2022, the data have been reprocessed going back to 2019 to account for emissions associated with Grupo BIG's operations for the following material categories: purchases of goods and services, upstream transport, use of products sold, end-of-life of products sold and purchases of fixed assets. Franchised stores taken into account.

The 2040 store decarbonisation action plan includes the following initiatives:

Breakdown of action plans designed to help achieve carbon neutrality through stores by 2040



To do this, the Group aims to reduce the CO_2 emissions produced by its operations at source as much as possible, through three 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:
  - The Group is therefore stepping up the process to equip its stores with photovoltaic systems (94 in Spain, 14 in France, 13 in Poland, nine in Brazil, six in Belgium and one in Italy at December 31, 2023). In 2023, the Group signed four Physical Power Purchase Agreements (covering wind and solar farms) in France, which will produce around 100 GWh per year from 2024, equivalent to the power consumed by 29 hypermarkets. The Group aims to continue increasing the pace of the implementation of these green energy contracts across all of its geographies.
  - In addition, as part of the objective under the Carrefour 2026 strategic plan to produce almost one TWh of electricity per year from 2027 onwards in France, Spain and Brazil, Carrefour has selected a number of partners to produce solar power at more than 500 sites in France and has also begun the selection process to find operators in Spain. The first half of 2024 will be dedicated to finalising contractual frameworks for these partnerships.
- **A 27.5% reduction in energy consumption by 2030 (2019 baseline):** The investments made (in the form of operating and capital expenditure) will enable Carrefour to reduce energy consumption across the Group by 20% by 2026 and 27.5% by 2030. Carrefour in France achieved its target of a 20% reduction by 2023. The Group is seeking to improve energy efficiency through six priority actions and technology recommendations for its stores: renovation of commercial cooling systems, doors for refrigeration units, use of electronic speed controllers, use of divisional meters, low consumption LED lighting and technical building management (focused on air conditioning, ventilation and heating).
- **The reduction in emissions from refrigerant use:** Carrefour is committed to phasing out HFC refrigeration units and phasing in systems using natural refrigerants (CO_2), 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: by the end of 2023, implementation was in line with the targets set for 2030 in Europe.
- **Offsetting residual emissions:** To combat the impact of emissions that could not be reduced, the Group plans to contribute over the long term to the fight against climate change through an offsetting strategy, prioritising projects in its supply chains.

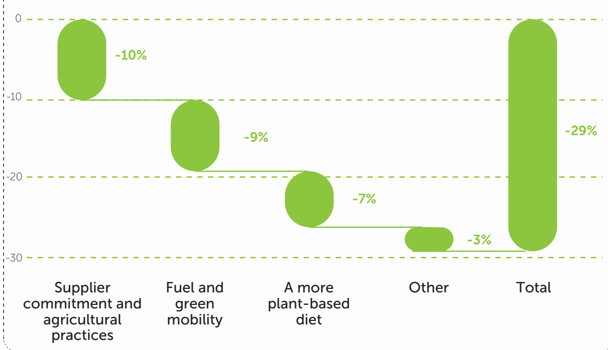
Promoting low-carbon consumption (Scope 3)

Carrefour aims to reduce the main components of its Scope 3 greenhouse gas emissions by 29% by 2030 vs. 2019. The Group's ambition has been validated by the Science Based Targets initiative for its alignment with a "below 2°C" trajectory. Specifically, the Group has committed to three main areas covering over 80% of Scope 3 emissions, with the following targets:

- 30% reduction in emissions from purchases of products and services by 2030 (vs. 2019);
- 27.5% reduction in emissions from product use by 2030 (vs. 2019);
- 20% reduction in emissions from downstream transport by 2030 (vs. 2019).

Carrefour has put together a Scope 3 Climate Action Plan on reducing the main indirect emissions arising primarily from the products it sells. The levers identified to contribute to the reduction of Scope 3 emissions are as follows:

Roadmap to achieve a 29% reduction in Scope 3 emissions by 2030 vs. 2019



The actions implemented and commitments related to each category are as follows:

PRIORITY SCOPE	CONTRIBUTION 2030 VS.2019	ACTIONS IMPLEMENTED	EXISTING OBJECTIVE
Supplier commitment and farming practices	-10%	Encourage suppliers to reduce their GHG emissions by committing to SBTi trajectories.	Commitment of the 100 largest suppliers to a 1.5°C trajectory by 2026 under penalty of delisting
		Collaborate with suppliers, large and small, to implement the food transition and promote low-carbon consumption patterns.	500 suppliers involved in the Food Transition Pact and 20 megatonnes avoided by 2030
		Develop partnerships with producers to facilitate the transition to low-carbon practices.	50,000 partner producers by 2026
		Encourage the use of eco-labels (organic, FSC, PEFC, etc.).	8 billion euros in sales of certified sustainable products by 2026
		Combat deforestation and develop alternatives to soy for animal feed.	100% of forest-sensitive production to have a risk mitigation plan by 2030
		Develop regenerative agriculture and agroecology within the Carrefour Quality Lines.	100% of Carrefour Quality Lines products to feature agroecology labels by 2025
Fuel and green mobility	-9%	Increase volumes of biofuels. Encourage soft modes of transport and the use of electric vehicles.	Installation of 2,000 electric charging stations in France in 2023
A more plant-based diet	-7%	Engage stakeholders in the transition to a more plant-based diet (commercial operations, food transition pact). Promote innovation and develop a comprehensive offering.	Increase plant-based protein sales in Europe to 650 million euros by 2026
Optimising supply chains and promoting the circular economy	-3%	Improve downstream transport efficiency. Modernise the fleet and develop a fleet of vehicles running on biomethane.	20% reduction in greenhouse gas emissions from downstream transport by 2030 (vs.2019)
		Reduce waste production, ensure material sorting for recycling and zero landfill.	Recover 100% of waste by 2025
		Take action at all levels to reduce food waste within the value chain, in stores and among consumers.	50% reduction in food waste by 2025 (compared with 2016)
		Reduce the quantity of packaging marketed, promote reuse and recycling.	100% of Carrefour-branded packaging to be reusable, recyclable or compostable by 2025; 20,000 tonnes of packaging to be avoided, including 15,000 tonnes of plastic packaging by 2025 (cumulative since 2017); 300 million euros in bulk and reuse sales in 2026
TOTAL	**-29%**		

* Possible reductions for an ambitious scenario (example calculation assumptions: kilometres travelled with electric vehicles represent as many kilometres as avoided with internal combustion vehicles; plant proteins consumed are as many as animal proteins avoided). Note that the various objectives may overlap; the contribution of each objective cannot simply be summed up (there may be double counting between each objective).

- **Supplier commitment:** At the end of 2023, 306 suppliers had committed to the Food Transition Pact and to local pacts. The Group's objective is to have 500 committed suppliers by 2030. With regards to the climate, the "20 Megatonnes" project launched in 2020 aims to encourage suppliers to make commitments to reduce their emissions, measure their progress and involve consumers by offering them alternatives emitting less CO_2. In 2022, Carrefour called on its Top 100 suppliers to adopt a 1.5°C trajectory by 2026, and committed to delisting them if they did not meet this condition. In 2023, a Road to 1.5°C convention was organised to inspire and build momentum around the Top 100 supplier objective. The aim of the convention was to give suppliers an overview of the key steps required to achieve a 1.5°C trajectory, and to identify best practices in the sector. The Group's Merchandise department also received training on climate change and supplier commitment. The training provided knowledge tools for all merchandise managers so that they can better manage future discussions with the Group's main partners. As of the end of 2023, 44 suppliers had adopted a 1.5°C trajectory validated by the SBTi.
- **Low-carbon agriculture:** Carrefour is developing responsible sourcing to reduce the climate impact of its own-brand products. The Group is committed to combating deforestation, developing agroecological practices within its Carrefour Quality Lines and sourcing fish from responsible fishing (see Section 2.1.2. Biodiversity). All Carrefour Quality Lines will be committed to an agroecological approach by 2025. Products from this initiative are highlighted to customers through labels such as "grown without chemical treatment". These practices – reducing pesticides and nitrogen fertilisers, soil conservation techniques, etc. – often help to reduce CO_2 emissions linked to agricultural production. Carrefour is working on an "Agriculture and Climate" strategy. In 2023, a stakeholder panel was organised, bringing together around 60 internal staff, suppliers, banks and insurance companies, non-profits and consumers to work collectively on this strategy.

Lastly, the Group is developing initiatives to promote the consumption of local products. For example, Carrefour has launched the 0 km project, which encourages stores to list and display a range of products from less than 30 km away, and the local festival in all Carrefour formats in France, which promotes local products and know-how through events and tastings in stores.

- **Fuel and green mobility:** The Group continued to roll out electric vehicle charging infrastructure in its hypermarket and supermarket car parks in France. By the end of 2023, more than 1,500 locations had been equipped with electric charging stations, making Carrefour the first French retailer to offer a complete range of electromobility solutions. By 2025, 5,000 locations will be equipped with such stations, half of which will be high-powered by Enedis. On average, hypermarkets and supermarkets will each have ten and five electrified spaces respectively. Carrefour is also rolling out hydrogen stations in the Greater Paris region through a partnership between Carrefour and HysetCo. Five distribution stations should be deployed in the Greater Paris region by summer 2024 under the partnership. In 2023, Carrefour and Uber also announced a partnership to improve the accessibility, cost and experience of EV recharging for private-hire drivers, who will enjoy preferential rates on the Carrefour Energies network from January 2024 in France.
- **Plant-based alternatives:** ADEME has calculated that meat production is responsible for half of the food sector's greenhouse gas emissions. In 2022, as part of its Carrefour 2026 strategic plan, Carrefour announced an ambitious new objective to increase plant-based alternative sales in Europe to 650 million euros by 2026. To achieve its objective, Carrefour is implementing a strategy based on:
  - a comprehensive and innovative product range: Carrefour has begun to develop its range of plant-based alternatives and pulses through its Carrefour Sensation brand (formerly Carrefour Veggie), which is 100% vegetarian, V-Label certified and broadly affordable. In 2023, 146 product references (vs 115 in 2022) were offered under the Carrefour Sensation brand in Europe. Carrefour is also developing a range of plant-based proteins and meat alternatives through its other brands. In 2023, for example, Carrefour received an LSA award for expanding its Carrefour Bio brand offering of organic and French pulses with white beans;
  - collaboration with suppliers: In 2023, Carrefour launched an international coalition to accelerate sales of plant-based alternatives with seven manufacturers (Danone, Unilever, Bel, Andros, Bonduelle, Nutrition & Santé, Savencia). The coalition is committed to achieving sales of 3 billion euros from plant-based alternatives by 2026, using a series of joint initiatives;
  - a promotional mechanism to encourage the consumption of plant-based proteins: in 2022, Carrefour teamed up with Danone to roll out the "*Lundi c'est veggie, mais aussi le mardi, mercredi…*" campaign (Monday is veggie day, but so is Tuesday, Wednesday…). The aim of this campaign is to promote healthy (Nutri-Score of A or B) vegetarian or vegan eating;
  - promotion in stores and via e-commerce: to highlight low-carbon vegetarian products in stores and on the website, Carrefour has modified the display hierarchy on the e-commerce site and made such products easier to identify in stores. In March 2023, Carrefour Belgium supported the Veggie Challenge, which aims to encourage consumers to eat more plant-based products for 20 days. Throughout March, Carrefour offered veggie recipes to customers on its social networks. In France, in partnership with the WWF, Carrefour France is promoting low-carbon vegetarian recipes. These recipes are available at *https://www.carrefour.fr/recettes/manger-durable*.
- **Optimising logistics chains and promoting the circular economy (see 2.1.4.6):** Carrefour aims to achieve a 20% reduction in outbound transport-related CO_2 emissions by 2030 compared to 2019, through optimisation of existing 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, by the end of 2023, Carrefour had switched its fleet of 750 trucks to biomethane, making them less polluting, 60 dB-quieter and Piek-certified.

To reduce its indirect emission sources, mainly from the products it markets, the Group is taking action:

- against food waste and for waste recovery (see 2.1.3 Circular economy);
- for the recovery, reuse and recycling of electrical products (fluorescent lights and batteries), small and large household appliances and large furniture (see 2.1.3 Circular economy).

2.1.5 HEALTH AND PRODUCT QUALITY

2.1.5.1 Overview

Access to healthy food is very beneficial for health [1]. Agricultural production conditions, product composition, sanitary production conditions, access to a balanced diet and consumption habits are all important for consumer health. Today's consumers are demanding greater transparency about the quality of the products they buy, and are increasingly challenged by cost of living issues and the lifestyle factors that encourage sedentary behaviour. Against this backdrop, Carrefour is advocating and promoting the food transition to transform the way food is produced, distributed and consumed to support healthy and balanced food for all. In 2022, the Carrefour 2026 strategic plan embodied the Group's goal of placing consumer health at the heart of the food transition model and announced highly ambitious objectives regarding nutrition.

Risks and opportunities

The Group identified the major downstream risks in our value chain relating to consumer information, product quality, compliance and consumer safety, and access to quality food that is both affordable and nutritious:

NATURE AND LEVEL OF RISK	RISK	OPPORTUNITIES
Consumer information	Erroneous or exaggerated claims misleading consumers Carrefour being accused by consumers, NGOs and/or regulatory authorities of regulatory non-compliance regarding product information	Development of the sale of a range of certified products and nutritional labelling
Product quality, compliance and consumer safety	Shortcomings in terms of control and traceability or defects in product specifications leading to serious health and commercial consequences A breach of quality and hygiene standards in stores or warehouses Carrefour being accused by consumers and NGOs of insufficient quality, non-compliance and/or endangerment of customer safety A failing in the product withdrawal and recall procedure potentially leading to a health crisis	
Access to quality food that is both nutritional and affordable	Decline in the brand and value proposition due to perceived poor value for money or an offering out of step with consumer expectations Criticism of Carrefour for the poor nutritional profile of the products sold and the promotion of unhealthy eating (fat, sugar, alcohol, etc.)	Becoming a leader for the food transition and developing healthier offerings and product ranges

(1) Health through food, 27/09/2023, Ministry of Health and Prevention:*https://sante.gouv.fr/systeme-de-sante/strategie-nationale-de-sante/priorite-prevention-rester-en-bonne-sante-tout-au-long-de-sa-vie-11031/priorite-prevention-les-mesures-phares-detaillees/article/la-sante-par-l-alimentation*

Coalitions and partnerships

- Collaboration for healthier lives (CHL)
- WWF France
- Projet SNAC (Vivons en Forme, Sport dans la ville, Fête le mur, Elior)

Contributions to the Sustainable Development Goals

3 GOOD HEALTH AND WELL-BEING

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

OUR OBJECTIVES/OUR OUTCOMES

Topic	Objective	2023 Result	2022 Result	Change	Target
Consumer health	Number of products that display the Nutri-Score[(1)]	8,989	4,101	+4.1%	-
	Reduction in tonnes of sugar in Carrefour-branded products[(2)]	261	New	-	2,500 by 2026
	Reduction in tonnes of salt in Carrefour-branded products[(3)]	78	New	-	250 by 2026
	Percentage of fresh Carrefour Quality Lines products committed to an agroecological approach[(4)]	28.4%	6.50%	+21.9 pts	100%
	Market penetration rate of Carrefour Quality Lines in fresh produce (%)[(5)]	7%	6.90%	+0.1 pts	10% by 2025
	Sales of organic products (in billions of euros)[(6)]	2.5	2.6	-3%	8 billion by 2026

Product quality and safety	**Percentage of suppliers audited according to a quality standard**	100%	100%	0 pt	100%
	Percentage of sites certified to IFS, BRC or FSCC22000 standards(7)	79.5%	78%	+1.5 pts	
	Percentage of sites audited by Carrefour, o/w:	6.5%	8%	-1.5 pts	
	Percentage of audit scores between A and B	96%	96%	0 pt	
	Percentage of audit scores between C and D Percentage of plants audited by Bureau Veritas	4%	4% 11%	0 pt	
	Number of suppliers/sites	2,593	2,703	-4.1%	
	Number of inspections performed – analyses	49,397	49,723	-0.7%	
	Number of inspections performed – panels	3,764	4,074	-7.6%	
	Number of products withdrawn	587	564	+4.1%	
	Percentage of Carrefour-branded products withdrawn	58%	50%	+8 pts	
	Number products recalled	328	330	-0.6%	
	Percentage of Carrefour-branded products recalled	21%	19%	+8 pts	

(1) Number of products sold on Carrefour.fr with the Nutri-Score displayed. Scope: Controlled products only (AR, IT excl. in 2023; FR only in 2022).
(2) Scope: 90% of 2023 consolidated net sales. New indicator, BR C not included in 2023.
(3) Scope: 90% of 2023 consolidated net sales. New indicator, BR C not included in 2023.
(4) Scope: 91% of 2023 consolidated net sales. Non-comparable BUs (PL, BR C, PL excl. in 2023; FR only in 2022).
(5) Scope: The 86% of 2023 consolidated net sales. Non-comparable BUs (ES excl. in 2023, AR excl. in 2022).
(6) Scope: 100% of 2023 consolidated net sales. Non-comparable BUs (BR SAMS excl. in 2023, BR AT & SAMS excl. in 2022).
(7) The International Featured Standard (IFS) sets product safety and quality standards. BRC (British Retail Consortium) certification accredits compliance for food processing and packaging companies. FSSC (Food Safety System Certification) 22000 certifies food safety management systems.

2.1.5.2 Our action plans

The Group's Quality Department contributes to developing standards and tools (including purchasing rules), charters and quality guidelines, which it circulates in all of the Group's integrated 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 an employee training programme and regularly communicates with customers about food quality and safety.

Ensuring the quality and safety of Carrefour products

The policy ensuring the quality and safety of Carrefour-branded products is based on the following pillars: certifications, labels and claims, specifications, second-level control plans for controlled products, the quality alert system, and traceability.

Certifications, labels, and claims: All manufacturing sites for Carrefour-branded products are audited for quality and safety. In order to apply the "Carrefour" brand to its products, the supplier must meet certain specifications that are verified and validated by the Quality department. This form of collaboration implies a lasting relationship of trust, as evidenced by the Group's enduring relationship with many of its suppliers: in 2023, 70% had more than five years of seniority, and 89% more than two years. Certification, labels and claims are also an effective means of combating food counterfeiting. Suppliers are audited on the existence and implementation of a plan to reduce food fraud.

Specifications and quality departments: All Carrefour-branded products are subject to specifications that strictly define the product's characteristics. In all integrated countries, Carrefour's quality teams ensure compliance with these requirements.

Monitoring plans for controlled products: Controlled products are analysed for quality, performance and compliance. Carrefour has commissioned an independent laboratory to conduct analyses and, in some cases, additional product tests to ensure compliance. To ensure that products meet consumer expectations, tests may also be conducted with consumer panels or by experts. Monitoring commissioned by Carrefour complements the supplier's self-monitoring, with the primary aim of regularly verifying the compliance of Carrefour-branded products with applicable laws and specific provisions integrated into the contracts of controlled products. Risk analysis takes many factors into account, including the identification of dangers and their characteristics, exposure assessment, risk characterisation, control measures, degree of certainty, population sensitivity and probability of occurrence.

Quality alert system: The quality system includes AlertNet, a procedure that informs stores as quickly as possible if they need to 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. The EAN barcode of recalled products is blocked at checkout [1].

Traceability: Carrefour has developed specific traceability tools for certain raw materials. For its Brazilian beef supplies, it has implemented geo-monitoring. Satellite surveillance of breeding pastures reduces the risk of destruction to the Amazon rainforest and biodiversity, and also prevents the use of land belonging to indigenous tribes. Monitoring an entire host region in this way helps to control the sourcing of beef sold in Brazil.

In-store safety and quality: Specific rules governing food quality and safety have been implemented in stores. They allow employees to become acquainted with best practices in the fields of food quality and safety. Action plans can be implemented following administrative checks and standard reference inspections.

Providing quality products accessible to all

Improving the nutritional composition of products: Since 2018, the Group has reformulated and optimised the nutritional profile of its products, in all countries where it operates. Since 2019, nearly 400 recipes have been reformulated, especially to reduce their sugar and salt content (sweetened drinks and tinned vegetables respectively). With the adoption of the Carrefour 2026 strategic plan, the Group has pledged to eliminate a total of 2,600 tonnes of sugar and 250 tonnes of salt from Carrefour-branded products. In 2023, 261 tonnes of sugar and 78 tonnes of salt were eliminated in France.

Cutting out controversial substances: Ahead of legislative and regulatory change, Carrefour has actively embarked on a global campaign aimed at eliminating controversial substances (such as artificial flavours, certain additives and certain ingredients). Their list, common to all Group countries, is updated continuously. These substances fall into four categories:

- black: substance already absent from all Carrefour-branded product categories or slated for full discontinuation;
- red: controversial substance (such as alcohol colourants) authorised only in certain product categories or brands;
- purple: controversial substance under surveillance, involving alignment with market practices;
- orange: non-controversial substance that is authorised but would preferably be substituted in a broad clean label approach.

When substitutes for substances classified as "black" are not immediately available, Carrefour reduces their quantity and works to identify satisfactory substitution solutions in the short term. Over 100 substances have been removed in this way from the composition of Carrefour-branded products. As part of the 2026 strategic plan, Carrefour has committed to eliminating a further 20 controversial substances from its products by 2026.

(1) EAN (European Article Number) is an 8- or 13-digit barcode used to identify individual products. It is used in retailing and manufacturing.

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Developing products using fewer pesticides and excluding GMOs: To promote less pesticide-intensive farming and thereby protect the health of consumers and the environment, Carrefour invests in the development of organic farming as well as agroecology through the adoption of responsible practices. See Section 2.1.2 Biodiversity.

Developing plant-based products and products catering to specific diets: The Group continues to step up its presence in the meat substitute segment to meet demand for "Eating better" and "Consuming better" from certain consumers and to reduce greenhouse gas emissions (see 2.1.3). 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. Carrefour promotes nutritional recipes on its website, which also features a section dedicated to special diets (gluten-free, lactose-free, sugar-free, reduced salt, vegetarian and vegan).

Guiding consumers towards a more balanced diet

Informing consumers with the Nutri-Score: The Group has continued the widespread roll-out of the Nutri-Score on the packaging of Carrefour-branded products and on the carrefour.fr website. This optional logo was developed by the French government to provide a clear indication of a product's nutritional quality. As of end-2023, the Nutri-Score had been deployed in Belgium, Spain, France and Poland. Despite the tightening of Nutri-Score criteria from January 1, 2024, Carrefour is maintaining its commitment. In 2024 and 2025, the Group will update the Nutri-Score classification on a third of the products featuring this nutritional rating.

Using promotional and loyalty tools to guide consumer choices: In 2023, the Group decided to reward loyalty cardholders who purchase Carrefour Classic Nutri-Score A products, both online and in-store, with a 10% discount – and 15% for those paying with the Pass card. Whenever a Drive order is placed, an algorithm suggests alternative products with a better Nutri-Score.

Offering products made using the best agricultural practices at the best price: Through its own brands, Carrefour makes less-processed products accessible to more people, even during periods of high cost-of-living constraints. The Quality Lines are spearheading this approach. Carrefour also offers a range of organic products costing on average 20% less than major brands in the sector.

Training Group employees: Carrefour is mobilising its employees in this quest for a balanced diet. Promoting the food transition for all is one of the major themes of the Carrefour 2026 strategic plan, and is a focus of training. In 2023, over 4,500 employees participated in training (over 1,900 in face-to-face sessions and 2,500 by e-learning) on key topics such as the market for organic products and fresh produce. 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.

2.1.6 TRADE PRACTICES

2.1.6.1 Our objectives and outcomes

Overview

As a retailer, Carrefour is in direct contact with numerous stakeholders and has a duty to maintain high-quality relations with its suppliers, producers, public authorities, NGOs, investors, non-profits and customers.

The loyalty and integrity of Carrefour's trade practices enable it to establish and sustain its relationships with stakeholders. The Group is committed to acting beyond reproach in its relations with its partners at all levels, especially in its business relationships, in compliance with applicable regulations such as the General Data Protection Regulation (GDPR) and France's Sapin II law on corruption.

Alongside compliance with the applicable regulations, respect for animals and their sensitivity is a growing concern among the general public. 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.

Risks and opportunities

The Group has identified the following significant risks related to the conduct of its business: protection of whistleblowers, political advocacy and lobbying activities, supplier selection and management, corruption, data security and protection, contribution to host communities, unfair trade practices, and animal welfare.

TYPE OF RISK	RISK	OPPORTUNITIES
Supplier selection and relationships	Conflictual relations with suppliers and loss of trust in the business relationship Accusations against Carrefour and/or fines for abusive practices towards suppliers and non-compliance with supplier relationship regulations (negotiation timeframes, payment deadlines, excessively low prices, etc.) Poor selection of Group suppliers resulting in non-compliance by suppliers with ethical, quality, environmental, or social practices	Securing and sustaining the supplier relationship through fair contractual conditions and conditions conducive to collaboration (partnerships, dialogue, etc.) Supplier selection and commitment processes to ensure product and service quality
Contribution to host communities	Damage to the Group's image among consumers and local governments, loss of local tenders and market share due to a lack of local roots and insufficient economic contribution to host communities	Stores with local roots developing a range of local goods, products and services meeting customer expectations
Protecting whistleblowers	Failure to protect whistleblowers leading to criticism of Carrefour, destabilisation of labour relations, increased turnover rates and a deterioration of the employer brand	Effective system for collecting and protecting whistleblowers, preventing risks and quickly identifying cases
Political advocacy and lobbying activities	Carrefour's implication in lobbying practices compromising the company's credibility with customers and stakeholders	Strengthened dialogue with national and local governments and civil society stakeholders
Data security	A cyber attack shutting down information systems, disrupting production, logistics and stores, resulting in costs related to IT security	
Data protection	Non-compliance with regulations on the protection of personal data	
Corruption and fair competition	Instances of corruption or anti-competitive practices leading to a deterioration of relations with stakeholders, risks of exposure to sanctions, and damage to the Group's image	
Animal welfare	Accusations of animal welfare violations and lack of transparency towards consumers regarding farming conditions against Carrefour and its suppliers	Promoting new consumption habits to replace meat with plant-based proteins and supporting extensive livestock farming with animal welfare in mind

Coalitions and partnerships

- Laboratoire d'Innovation Territorial Ouest Territoires d'Elevage (LIT Ouesterel)
- Association Étiquette Bien-Être Animal (AEBEA)
- World Animal Protection
- Welfarm
- Oeuvre d'Assistance aux Bêtes d'Abattoirs (OABA)
- CIWF

Contributions to the Sustainable Development Goals

OUR OBJECTIVES/OUR OUTCOMES

Topic	Objectives	2023	2022	Change	Target
Managing relations with suppliers/ Exercising responsibility in host countries	Number of suppliers involved in the Food Transition Pact(1)	306	204	+50%	500 by 2023
	Number of organic farming partner producers, CQLs, regional and local producers and partners in other collective initiatives(2)	46,013	37,756	+22%	50,000 by 2026
Fair practices	Taxes borne by the Group (in millions of euros)	€4,239 million	€975 million	-4.1%	-
	Social security costs borne by the Group (in millions of euros)	€1,606 million	€1,608 million	-0.1%	-
	Percentage of at-risk employees trained on anti-corruption topics	69.6%	95.6%	-26%	-
Data security and protection	Number of countries/entities with a DPO (Data Protection Officer)	8/8	8/8	-	8/8

Topic	Objectives	2023	2022	Change	Target
Animal welfare	Shell eggs – Percentage of gross sales of controlled and national-brand products from cage-free production facilities(3)	62.8%	80.3%	-17.5 pts	100% by 2025 (2028 depending on the country)
	Eggs as ingredients – Percentage of Carrefour-branded products containing cage-free eggs used as ingredients(4)	77.2%	60.2%	+17 pts	100% by 2025
	Cage-free farming – Percentage of gross sales of animals (rabbits and quails) in controlled products raised cage-free(5)	19.8%	52.7%	-32.9 pts	100% by 2025
	Chickens – Percentage of gross sales of controlled products that guarantee compliance with animal welfare criteria(6)	30.2%	35.9%	-5.7 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(7)	26.1%	12.2%	+15 pts	100% by 2025
	Horse meat – Percentage of gross sales of horse meat in independently audited controlled and national-brand products or from EU producers(8)	41.3%	68.7%	-27.4 pts	100% by 2025
	Slaughter – Percentage of Carrefour supplier slaughterhouses audited for compliance with animal welfare standards(9)	69.3%	39.2%	+30.1 pts	100% by 2025
	Transparency – Percentage of species raised using transparent farming methods, for Carrefour-brand products(10)	16.7%	20.8%	-4.1 pts	100% by 2025

(1) Scope: 99.8% of 2023 consolidated net sales. Comparable BUs (approach not yet deployed at BR in 2023 and 2022).
(2) Scope: 95% of 2023 consolidated net sales. Non-comparable BUs (BR, ES organic, IT organic excl. in 2023; BR incl., excluding partners from other approaches in 2022).
(3) Scope: 99.7% of 2023 consolidated net sales. Non-comparable BUs (BU SAMS excl. in 2023; BR AT excl. in 2022). 82.8% in 2023 excl. BR AT.
(4) Scope: 99.7% of 2023 consolidated net sales. Comparable BUs for Europe only (FR, ES, IT, PL, RO, BE).
(5) Scope: 100% of 2023 consolidated net sales. Non-comparable BUs (Only applicable in FR, BE, RO, AR in 2023; applicable in FR, BE, ES, RO, AR in 2022).
(6) Scope: 87% of 2023 consolidated net sales. Non-comparable BUs (BR C excl. in 2023; excl. AR in 2023 and 2022).
(7) Scope: 63% of 2023 consolidated net sales. Non-comparable BUs (FR excl. in 2023; BE, IT and PL only in 2022).
(8) Scope: 100% of 2023 consolidated net sales. Non-comparable BUs (only applicable in FR, BE, IT in 2023. Only BE, IT in 2022).
(9) Scope: 100% of 2023 consolidated net sales. Comparable BUs.
(10) Scope: 96% of 2023 consolidated net sales. Non-comparable BUs (excl. BR C in 2023).

2.1.6.2 Our action plans

Managing relationships with suppliers and implementing a responsible purchasing policy

Supplier Commitment Charter

The Supplier and Service Provider Commitment Charter forms an integral part of all purchase contracts in all countries. Its primary objective is to ensure that subcontractors comply with the ethical principles laid down by Carrefour or to bring them into compliance.

This charter is based notably on Carrefour's respect for and promotion of the Universal Declaration of Human Rights, the eight fundamental conventions of the ILO, the OECD Guidelines for Multinational Enterprises, the ten principles of the UN Global Compact, the UN Guiding Principles on Business and Human Rights and the international agreement signed with UNI Global Union.

The charter prohibits clandestine or undeclared subcontracting, and requires suppliers to demand the same social compliance standards of their own suppliers. In a spirit of reciprocal commitment, the charter does not allow Carrefour to impose any conditions on suppliers that would prevent them from complying with the charter.

Food transition purchasing rules

To align its ethical principles with its purchasing practices, Carrefour has laid down rules governing food transition purchases for all of its host countries. Eleven rules incorporate the social, environmental and ethical requirements of CSR objectives. They are intended for the direct and indirect purchasing teams in the integrated countries, which are responsible for their proper application. The rules provide a framework for social and environmental compliance consistent with food transition objectives for existing and prospective products. The purchasing rules therefore apply to:

- controlled products, national brand products and non-retail products;
- food products (fresh produce and consumer goods), non-food products (small household goods, EPCS [1] and textiles), and out-of-home catering products (e.g., Promocash, Maxi, Atacadão).

Each country team prepares its own plan based on local conditions and supervises its proper implementation. There are rules governing textile purchases, sourcing from local suppliers and SMEs, nutrition and controversial substances, packaging, produce sourced from organic farming, agroecology products, aquatic animal products, items whose production may impact forests and wild species, animal welfare and plant-based proteins.

Regarding audit and risk management, Carrefour's governance system features a Committee on Purchasing Rules for the Food Transition. It analyses risks and sourcing-related alerts, and lays out the strategy to be implemented (see 2.2 Duty of Care Plan, Section 2.2.1.1 Governance organisation and structure). Purchasing rules are subject to internal control to verify the quality of the overall system that Carrefour has put in place. They are updated annually and training is also provided for merchandise teams.

Establishing a responsible contractual framework

Carrefour adheres to established national regulatory frameworks when contracting with suppliers, and goes further by adopting additional responsible practices. For example, regarding payment terms, Carrefour complies with the minimum legal terms set nationally, ensuring the absence of abusive practices. Accordingly, payments are generally made within 30 days in France. The Group has implemented a system of ultra-local contracts for small suppliers: a simplified two-page contract for referencing in just 48 hours, committing Carrefour to payment within seven days. In 2023, 1,855 French producers, mainly greengrocers, fish farmers and grocery product suppliers, benefited from ultra-local contracts.

In the Group's integrated countries, contracts systematically include clauses on competition law, which are subject to internal training provided by local legal departments. In France, new hires in relevant departments and positions are automatically enrolled. More specific and targeted training can also be provided to support the implementation of purchasing alliances formed with other retailers.

Being responsible in our host communities

Providing convenient local retail options

Through its global network of 15,000 stores in 2023, the Group aligns its formats with the specific needs and expectations of its host countries and regions. Each store offers products and a range of services based on local needs to align with their customer base.

(1) EPCS: Electronics, Photography, Cinema, Sound.

Developing the sale of local products and partnerships with SMEs

In its Carrefour 2026 strategy, the Group has set itself a series of objectives to encourage sustainable and local farming:

- increasing the number of partner producers to 50,000 (up 11,000 on 2022), including local and regional producers;
- doubling the volume of fruit and vegetable supplies in ultra-short circuits (suppliers located less than 50 km from stores) in Europe. In France, putting down local roots in this manner led to the launch of the Potager City fresh local produce banner, in early 2023. This new chain of city centre stores carries a large proportion of seasonal products at optimal prices;
- increase sales of plant-based products in Europe to 650 million euros by 2026 (up 65% vs. 2022).

Doing business in a spirit of solidarity

For Carrefour, solidarity means providing day-to-day support for communities in its host countries. As a retailer integrated into local communities, Carrefour engages with stakeholders with very different activities and interests, on local, national and/or international issues. Participating in numerous social responsibility initiatives, Carrefour is one of the largest private donors in France, donating 31.4 million meal equivalents in 2023.

The Carrefour Foundation is the Group's ally in its food transition, supporting players in the social and solidarity economy working to broaden access to healthier, more balanced and diversified food worldwide.

Particularly sensitive to the challenges faced by vulnerable people and the challenges of food insecurity, Carrefour set aside 6.75 million euros in 2023 to support 77 projects in the fields of sustainable and socially responsible agriculture, the fight against waste and societal commitment, all in relation to food.

Fair practices

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 the 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.

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To enforce its policy and comply with 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 Hospitality 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-2023, 69.6% of the employees identified in 2023 as most exposed to risks of corruption had received training. The e-learning courses available for employees with a lower risk of corruption were taken by more than 73,617 employees in 2023 (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. The due diligence process 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 suspected unethical practices, including discrimination, harassment, health, safety, theft, fraud, corruption, misappropriation of funds, conflicts of interest, and environmental damage. In 2023, 5,361 alerts were received by the Group, the majority of which concerned HR issues (excluding discrimination and harassment);
- **controls:** 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.

Fair competition policy

Carrefour is very careful to maintain high-quality, transparent and loyal relations with its different commercial partners and to negotiate balanced agreements that comply with competition law. The Code of Professional Conduct, applicable to all employees, highlights the principle of *"developing fair and transparent trade practices": "Carrefour upholds competition law. All Group suppliers and service providers must be selected and treated objectively and fairly, as part of a policy of transparent trade practices and in accordance with commitments. Employees are prohibited from taking part in cartels or any unfair practice that may hinder fair competition*." The Legal department in each integrated country is made of teams of experts, including specialists in competition law.

Tax ethics

Tax ethics and transparency are the pillars on which the Carrefour group's tax policy is based. The Carrefour group adopts responsible tax conduct and promotes a culture of tax competence. To meet these objectives, the Carrefour group complies with tax regulations in all the countries where the Group operates, in accordance with applicable national and international laws and regulations. In addition, the Carrefour group fulfils its tax reporting obligations and pays its taxes in accordance with local regulations.

The Carrefour group's strategic locations are based on economic considerations. The Carrefour group has adopted a strict policy towards tax havens and has no presence in any of the countries on France's official list of non-cooperative states and territories (NCCTs). In terms of transfer pricing, the Carrefour group rigorously applies the arm's length principle, in line with OECD recommendations, and does not use transfer pricing for tax planning purposes. In its relations with tax authorities, the Carrefour group places a premium on trust and the quality of dialogue. The Carrefour group's commitment to responsible and transparent tax management is reflected in its respectful relationship with public authorities

The Carrefour group places great importance on the transparency of its tax policy and its implementation. In this respect, the Carrefour group regularly publishes its tax strategy and the reconciliation between the theoretical tax rate and the effective tax rate in its Universal Registration Document. The Group also fully complies with its Country by Country Reporting (CBCR) obligations. Lastly, the Group's ethics hotline can be used by Carrefour group employees, suppliers and service providers to anonymously report any situation or behaviour that does not comply with the Group's Principles of Ethics, including in tax matters.

In 2023, Carrefour entities paid a total of 4,239 million euros in incurred tax obligations. In addition, the Group's annual payroll taxes amounted to approximately 1,606 million euros for all its employees.

Information system security and data protection

Carrefour has deployed a plan common to the various integrated countries to comply with the General Data Protection Regulation (GDPR). A continuous monitoring plan covers all key GDPR issues (implementation of the general data rights management policy, consent management, processing registers, handling requests to exercise rights, etc.), and ensures ongoing monitoring and, where necessary, corrective measures.

Improving animal welfare

According to the United Nations Food and Agriculture Organisation (FAO), animal welfare is a social responsibility that forms an integral part of the livestock sector's sustainable development. 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 shelter, 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).

In 2019, Carrefour established an animal welfare policy focused on ten priorities shared with stakeholders in the relevant sectors, reaffirmed in 2023. These priorities are combating antibiotic resistance, banning cloning and genetically modified animals, switching to cage-free farming and keeping animal confinement to a minimum, keeping stress during transport and slaughter to a minimum, limiting controversial practices, optimising pain management, insisting on proper nutrition, carrying out health monitoring, banning animal testing, banning materials of animal origin not derived from livestock and improving habitats.

Animal welfare is one of the indicators in the CSR index, measuring CSR policy performance over several years. The Carrefour 2026 strategic plan, released in November 2022, puts greater emphasis on the Group's ambitions in respect of animal welfare. As a result, all production processes in which animal welfare is a sensitive issue must be covered by a risk mitigation plan by 2030.

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2.1.7 EMPLOYEES

2.1.7.1 Our objectives and outcomes

Overview

Carrefour draws on the skills of its 305,333 employees to offer quality services, products and affordable food for everyone. With over 300 job families, many positions are open to anyone in Carrefour's host communities, regardless of their experience, age, origin, political opinions or health status.

To retain talented candidates, the Group gives everyone the chance to express their potential by offering professional growth prospects, especially through skills development programmes.

The Group ensures that its teams have a safe and pleasant working environment synonymous with physical health and the prevention of stress and psychosocial risks so as to foster employees' mental well-being (developing exercise programmes, remote working, work-life balance).

Risks and opportunities

The Group has identified the following risks concerning its employees: adequate working conditions, decent wages, internal social climate, health and safety at work, equal treatment and opportunities for all, training and skills development, and employee attraction and retention.

TYPE OF RISK	RISK	OPPORTUNITIES
Health, safety and working conditions	Non-compliance with regulations on working conditions, health and safety in stores and warehouses Loss of productivity due to absences, sick leave, poor employee engagement and/or significant turnover (reduced activity, loss of know-how, increased training costs) Attraction and retention issues among Carrefour banners due to poor health and safety practices	Good quality working conditions fostering employee engagement, talent attraction and retention, and a positive brand image Improvement in mental health and work efficiency
Decent wages	Exposure to media controversy, loss of attractiveness and difficulty in recruiting/retaining employees Work stoppages/strikes	Strong employee engagement, increased motivation, talent retention and productivity
Internal social climate	Reduced employee productivity and work quality, industrial action, strikes, resignations and recruitment difficulties Negative image and disagreement with unions leading to regulatory sanctions	Quality social dialogue fostering employee support for the company's strategy Social dialogue process to prevent social risks and identify alerts
Equal treatment and opportunities for all	Discriminatory recruitment practices or inequalities among Carrefour employees leading to increased turnover, loss of skills and a negative image for the Group Accusations against the Carrefour group with regard to discriminatory behaviour compromising the physical or moral safety of employees or customers Criminal liability and fines for discrimination or non-compliance with thresholds for workers with disabilities or gender balance	Attracting talent and building a positive brand image through an ambitious inclusion and diversity policy Performance and creativity of the work collective through the diversity of profiles and opportunities within the company Appeal among customers, supported by staff embodying the Group's image
Training, attracting and retaining talent	Poor-quality services and products due to lack of training and skills, lack of innovation leading to market share losses Loss of know-how and skills due to non-renewal of skills, discontinuation of specific activities Recruitment difficulties due to a lack of understanding of the current job market issues and challenges facing young employees Uninspiring career advancement prospects within the Group: significant turnover, additional HR costs, talent drain	Improvement in productivity and operational excellence enabled by trained and skilled employees Acceleration of strategic and managerial transformations driven by effective and targeted employee training (digital transformation, food transition)

Coalitions and partnerships

- UN France Committee
- European Week for the Employment of People with Disabilities, with Agefiph (LADAPT)
- Arborus, creator of the Gender Equality European & International Standard (GEEIS)
- International Labour Organization (ILO)
- L'Autre Cercle
- CEASE

Contributions to the Sustainable Development Goals

3 GOOD HEALTH AND WELL-BEING
4 QUALITY EDUCATION
5 GENDER EQUALITY
8 DECENT WORK AND ECONOMIC GROWTH
10 REDUCED INEQUALITIES
17 PARTNERSHIPS FOR THE GOALS

SUMMARY OF OUR OBJECTIVES AND OUTCOMES

Topic	Objective	2023 Result	2022 Result	Change	Target
Promoting employment at Carrefour and managerial transformation					
Act for Change programme	**Minimum employer recommendation score awarded annually to Carrefour by its employees**	**8.3/10**	**8.2/10**	**+0.1 pts**	**Minimum of 7.5/10 per year**
	Response rate in the "I feel part of the ongoing transformation taking place within the Carrefour group" internal survey	**86%**	**64%**	**+22 pts**	
	Number of respondents to the survey	22,238	16,615	+33.8%	
	Percentage of Group employees responding "Agree" to the statement "I feel part of the ongoing transformation taking place within the Carrefour group"	80%	77%	+3 pts	
	Percentage of Group employees responding "Don't know" to the statement "I feel part of the ongoing transformation taking place within the Carrefour group"	4%	4%	0 pts	
	Percentage of Group employees responding "Disagree" to the statement "I feel part of the ongoing transformation taking place within the Carrefour group"	17%	18%	-1 pt	
Breakdown of jobs by format	Percentage of jobs in hypermarkets	68%	68%	0 pts	
	Percentage of jobs in supermarkets	15%	16%	-1 pt	
	Total other formats and businesses	17%	16%	+1 pt	
Workforce by region	Latin America	141,261	159,949	-11.7%	
	Europe	163,695	174,319	-6.1%	
	Total Asia	377	372	+1.3%	
	REGIONS TOTAL	305,333	334,640	-8.8%	

Topic	Objective	2023 Result	2022 Result	Change	Target
Type of employment contract	Percentage of employees on permanent contracts	92%	92%	0 pts	
	Percentage of fixed-term contracts	8%	8%	0 pts	
	Percentage of part-time employees	22.5%	22%	+0.5 pts	
Type of new hires	Number of permanent contracts	88,764	87,725	+1.2%	
	Number of fixed-term contracts	65,252	74,910	-12.9%	
	TOTAL	154,016	162,635	-5.3%	
Departures	Percentage of departures within the Executive Director category	0.05%	0.04%	+0.01 pts	
	Percentage of departures within the Senior Director category	0.08%	0.07%	+0.01 pts	
	Percentage of departures within the Director category	0.56%	0.5%	+0.06 pts	
	Percentage of departures within the Manager category	8.67%	7.7%	+0.97 pts	
	Percentage of departures within the Employee category	90.6%	91.6%	-1 pt	
	TOTAL	100%	100%	0 pts	
Attracting, supporting and developing talent					
	Percentage of employees with access to training in the year (at least four hours of training)[1]	68.9%	77.6%	-8.7 pts	**At least 50% per year**
	Average number of training hours per employee	9.2%	11.3%	-2.1 pts	
	Total number of training hours over the year (in millions)	3.5%	3.5%	0 pts	
Attracting talent	Number of new hires	154,018	162,635	-5.3%	
Employee turnover and length of service[2]	Attrition rate among Senior Directors and Executive Directors	3.4%	4.5%	-1.1 pts	
	Staff turnover rate	29.7%	29.2%	+0.5 pts	
	Voluntary staff turnover rate	15.8%	15.9%	-0.1 pt	
	Average seniority of employees (in years)	9	9	0 pt	
Internal mobility and promotion	Rate of internal promotion: total	53%	51%	+2 pts	
	Rate of internal promotion: manager	50%	51%	-1 pt	
	Rate of internal promotion: Director	83%	62%	+21 pts	
	Rate of internal promotion: Senior Director	36%	37%	-1 pt	
	Rate of internal promotion: Executive Director	12%	20%	-8 pts	

Topic	Objective	2023 Result	2022 Result	Change	Target
Encouraging diversity and inclusion and battling all forms of harassment and discrimination					
Gender equality[(3)]	Percentage of women leaders (top 200)	28.8%	25.7%	+3.1 pts	**35% by 2025**
	Percentage of women appointed to key positions	28%	28.20%	-0.2 pts	
	Percentage of women on the Board of Directors	46%	46%	0 pts	
	Percentage of women on the Group Executive Committee	30.8%	28.6%	+2.2 pts	
	Percentage of women among Executive Directors	28.8%	25.7%	+3.1 pts	
	Percentage of women among Senior Directors	22.5%	20.2%	+2.3 pts	
	Percentage of women among Directors	25.7%	25.3%	+0.4 pts	
	Percentage of women among managers	43.9%	43.7%	+0.2 pts	
	Percentage of women among employees	56.3%	56.4%	-0.1 pts	
	GROUP TOTAL – PERCENTAGE OF WOMEN IN THE WORKFORCE	55%	55.2%	-0.2 pts	
	Percentage of management positions held by women	42.6%	42.3%	+0.3 pts	
	Gender equality index in France	97/100	93/100	+4 pts	
Employees and customers with disabilities[(4)]	**Number of employees with a disability in the Group**	13,358	11,281	+18%	**15,000 by 2026**
	Percentage of employees recognised as having a disability	4.3%	3.7%	-0.6 pts	
Inclusion and equal opportunity [(5)]	Percentage of employees under 30	32.9%	34.5%	-1.6 pts	
	Percentage of employees between 30 and 50 (as a %)	46.4%	47%	-0.6 pts	
	Percentage of employees over 50 (as a %)	20.7%	18.5%	+2.2 pts	
Protecting team health, safety and quality of life					
Protecting employee health and preventing workplace accidents[(6)]	Workplace accident frequency rate (number of accidents/millions of hours worked)	31.4%	25.7%	+6.1 pts	
	Workplace accident severity rate (number of days absent due to workplace accidents/1,000 work hours)	2.1%	1%	+1.1 pt	
	Rate of absence due to workplace and travel-related accidents	0.77%	0.43%	-0.2 pts	
	Absenteeism rate: illness	5.8%	6.34%	-0.5 pts	
	Absenteeism rate: workplace accident	0.7%	0.4%	-0.3 pts	
	Absenteeism rate: travel-related accident	0.08%	0.05%	-0.02 pts	
Guaranteeing social dialogue					
Guaranteeing social dialogue	Percentage of employees covered by a collective bargaining agreement	100%	99%	+1 pt	
	Number of collective bargaining agreements signed in France	78	77	+1.3%	

(1) Scope: 100% of 2023 consolidated net sales.
(2) Scope: 100% of 2023 consolidated net sales.
(3) Scope: 100% of 2023 consolidated net sales.
(4) Scope: 100% of 2023 consolidated net sales.
(5) Scope: 100% of 2023 consolidated net sales.
(6) Scope: 89.6% of consolidated net sales. Excluding BRAT + BR.

2.1.7.2 Our action plans

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

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, thereby demonstrating our determination to go even further on these challenges, with a division dedicated to Diversity and Inclusion. To turn this ambition into tangible actions, Carrefour has adopted a Group Diversity and Inclusion policy, signed by its Chairman and Chief Executive Officer, Alexandre Bompard.

Gender equality

The Group employs 167,920 women, representing 55% of the total workforce. Carrefour remains actively committed to diversity. Equal career opportunities, equal pay and equal access to management positions for women are all Group HR policy priorities. The Group aims for women to represent 35% of its C200 by 2025. At the end of 2023, this indicator was 29%. This goal is backed up by individual coaching and mentoring programmes:

- at Group and country levels, such as Empowering Women Leaders, followed by 16 directors since its launch in 2021;
- the EVE intercompany programme initiated by Danone;
- the Women Leaders development programme is a certification scheme that has benefited nearly 200 women since its launch.

Several new programmes were launched in 2023. These included Women empower Women in Romania, which brought together 110 mentors and mentees, and Carrefour Ellas in Argentina and Brazil, which provided support through 30 hours of training and mentoring for 2,250 women employees during the year.

Since 2020, Carrefour has had International GEEIS certification in each of its host countries, attesting to the Group's proactive stance on gender equality. In 2023, Carrefour integrated the GEEIS Diversity label for the first time. The latest assessment by Bureau Veritas shows significant progress since 2014, with the Group now at the maximum maturity level of 5 out of 5 on the GEEIS scale.

Carrefour launched the internal network dubbed #UnEgalUne on International Women's Day in March 2023. This fully digital community, accessible to all Carrefour France employees, is dedicated to gender equality. It provides a space for members to stay informed, draw inspiration from role models, participate in events and voice their opinions on topics of interest to them.

In April 2023, the Group made a commitment to women's health in the workplace and introduced an enhanced social protection system comprising:

- 12 days' authorised sick leave per year for women suffering from endometriosis and who have a document certifying their disability recognised by the company (*Reconnaissance de la Qualité de Travailleur Handicapé* – RQTH), inclusion card or disability certificate issued by the French social security agency, CPAM);
- 3 days' authorised sick leave following a miscarriage;
- 1 day's leave for women undergoing assisted reproduction treatment, at the time of an embryo transfer, in addition to the legal provisions in force.

These three measures were accompanied by an awareness-raising campaign aimed at managers to share best practices in addressing the various challenges that women may encounter over the course of their career in relation to their health. This involved the distribution of a guide and an audiovisual campaign highlighting behaviours to avoid.

As part of its annual initiatives, the Group offered its employees the chance to participate in a range of activities to raise awareness about breast cancer prevention, from a charity run to self-examination workshops.

Carrefour is also committed to ending violence against women, as a member of the European CEASE initiative and the 1in3Women network. In 2023, Carrefour joined the initiative's Executive Committee, allowing it to play a more active role in this fight by participating directly in the network's management and strategy. To mark this year's Orange Day, a product-sharing campaign for UN Femmes France was organised on mesh bags for oranges in all French hypermarkets and supermarkets. A prevention message and the victim helpline number were printed on checkout receipts on November 25. In-store employees were also encouraged to wear orange clothing or accessories to show their support for the cause.

Inclusion and equal opportunity

The Group is working to develop an inclusive culture based on the acceptance of differences. In 2023, 18,000 young people from disadvantaged urban areas[1] signed contracts with the Group. Partnerships with specialised non-profits, such as *Sport dans la Ville*, enable Carrefour to support the employment of these young people through financial donations, introductions to the Group's professions and coaching events. Other initiatives encourage the employment of seniors, with 20.7% of employees aged over 50. Each year, the Group organises a day dedicated to diversity and the acceptance of differences. In 2023, all of the Group's integrated countries took part in this day, focusing on the topic of disability. In France, virtual reality awareness-raising was offered to head office staff. In Belgium, Executive Committee members created an immersive in-store experience to better meet the expectations of disabled customers.

During Pride Month, the Group ran initiatives to raise awareness of the inclusion of LGBT+ people and a communication campaign promoting the visibility of role models from this community. Carrefour also supported specialised non-profits, as a major sponsor of the Rural Pride March. Additionally, Alexandre Bompard signed a partnership with Fondation Le Refuge (a non-profit founded to help young LGBT+ people cast off by their families), involving non-food donations and the distribution of personal care kits to young people in shelters. The Group is also committed to facilitating the employment of the Foundation's young beneficiaries.

To promote employee engagement, the Group supports its volunteer firefighter employees by providing them with up to 20 days' leave. Carrefour also supports the French National Federation of Firefighters through contributions to first aid training in its stores and the employment of members.

Battling all forms of harassment and discrimination

Carrefour involves all of its teams in the fight against discrimination and harassment: every employment contract requires new hires to sign Carrefour's Code of Ethics, which is also sent to all suppliers (see Section 2.1.8 Workers in the value chain).

Carrefour France conducted its first anonymous and voluntary "Diversity, Equity and Inclusion" survey to assess the adequate representation of diverse origins throughout the company. E-learning modules have been rolled out by the Group to raise awareness among teams. In Brazil, PODER, a diversity programme for people of colour has been introduced. It brought together 1,000 participants in 2023, providing four training modules. 78% of participants expressed satisfaction with the training provided. In 2023, Carrefour Brazil also announced the result of a call for proposals for 68 million Brazilian reals in scholarships for current or future students of colour. A total of 883 scholarships will be awarded in Brazil to students from public and private institutions, breaking down as follows: 305 for undergraduate courses, 223 for specialist courses, 304 for Master's degrees and 51 for doctorates.

Disability

Carrefour has made the topic of disability the central cause of its 2026 strategic plan and has set the goal of employing at least 15,000 employees with disabilities by that date. In 2023, Carrefour employed 13,358 people with disabilities. Within the Human Resources Department, Mission Handicap focuses on three major areas:

- recruitment: all jobs within the Group are open to individuals with disabilities, regardless of the type of contract (permanent, temporary, internship, apprenticeship), provided that the disability and the job requirements are compatible;
- integration: Carrefour guarantees decent working conditions for employees with disabilities and makes the necessary adjustments (working hours, organisation, workplace adaptation, purchase of equipment, pre-employment medical check-up, etc.). When a new employee joins the company, a member of staff becomes their mentor and key contact throughout their professional journey;
- keeping vulnerable people in work: Carrefour implements adapted work-from-home days or paid leave for medical care and examinations, part-time work for people over the age of 60, or support from Mission Handicap for extended absences.

To raise awareness about disability among all teams, Carrefour participated in the Duo Day initiative in 2023. Duo Day allows a job seeker with a disability to spend a day alongside a Carrefour employee to learn about their job.

IncluLine CARREFOUR was launched in the last quarter. It is a service offered to Carrefour employees for any questions about disability and recognition as a disabled worker.

For several years, Carrefour has been improving accessibility for people with disabilities in its stores. Since 2021, the Group has rolled out and popularised the take-up of a "quiet hour for all" adapted to people with autism spectrum disorders. Similar initiatives also exist in Group host countries such as Poland, Spain and Argentina.

Using the "SVIsual" tool, a video interpretation service for sign language users, Carrefour facilitates access to its stores for deaf and hearing-impaired people. In 2023, seeking to build on this momentum, the Group organised a start-up competition to improve the experience of customers with disabilities. Three participants won awards: Handivisible (to make checkout visits easier for customers with disabilities), OOrion (to help our visually impaired customers find their way around the store) and Atypik'Baby (with pyjamas adapted for children with disabilities).

(1) Disadvantaged urban areas (*quartiers prioritaires de la politique de la ville* – QPV) are the poorest urban areas in France where the public authorities apply special support policies.

Practical measures were also taken with the launch of Quiet Spaces in stores and the continuation of the "Yes to all our deaf and hearing-impaired customers" programme, with a webinar to raise awareness of French sign language in music.

In 2023, Carrefour undertook to support the employment of people with disabilities in mainstream environments. Four "Café Joyeux" product references were sold in over 800 stores (in the convenience and hypermarket segments).

In December, the first inclusive store opened in the Paris suburb of Villeneuve-la-Garenne. Ten initiatives have been implemented to improve the reception of customers with disabilities, including carts suited to people with reduced mobility, and an easier checkout process. With a special badge, customers with disabilities can be assisted throughout their shopping journey. Tactile Braille maps are available at store receptions for the blind and visually impaired customers, and guide strips on the floor make it easier for them to find their way around.

Protecting health, safety and quality of life in the workplace

Carrefour works actively to preserve the health of its employees and reduce the risk of workplace accidents. Since 2020, local teams in all of the Carrefour group's integrated countries have deployed action plans on health, safety and quality of life in the workplace, along with associated objectives.

Protecting health and safety

To prevent musculoskeletal disorders (MSDs), which are responsible for 45% of workplace accidents and occupational illnesses, training in manual handling is offered to 6,000 identified hypermarket and supermarket employees in France. To act sustainably, Carrefour France invested over 7 million euros on manual handling equipment in 2023.

Focus has been given to risk assessment, and action plans have been drawn up for each store and warehouse. In 2023, commitments made in the Health Agreement were implemented on priority risks (musculoskeletal disorders), road risks and psychosocial risks. The psychosocial risk assessment was conducted this year, with more than 15,000 participants.

As a premium partner of the Paris 2024 Olympic and Paralympic Games under the slogan *"Nourrir tous les espoirs"* (Feeding all hopes), the Group is rolling out a corporate project that mobilises all teams and franchisees on the themes of nutrition and health. Through its partnership with Gymlib (sport and well-being), Carrefour has been providing its teams with free access to over 4,000 sporting facilities in France since January 2023.

Innovating to enhance quality of life in the workplace

Carrefour facilitates work-from-home arrangements and encourages the use of technology to increase flexibility and limit travel. Examples include G Suite, Drive, videoconferencing, shared calendars and Workplace, an enterprise social network allowing teams to exchange simply, without geographical or hierarchical barriers.

As a signatory of the Parenting Charter and the Quality of Life at Work Observatory's 15 commitments on work-life balance, Carrefour also aims to promote a balance between personal and professional life.

Promoting employment and managerial transformation

Carrefour aims to become a leader in the food transition for all. Through its 2026 strategic plan, the Group is seeking to accelerate its transformation in line with societal changes. To achieve this transformation, training programmes, communication plans and annual objectives are in place, with managers acting as the key drivers.

Carrefour strives to motivate its teams on digital innovation, which is central to its operating model. The Group's goal is to become a global leader in digital retail by 2026. To achieve this, all countries where Carrefour operates are developing programmes and tools to enable employees to grasp these challenges, and to train accordingly. The Group's objective is to train all of its employees in digital skills by 2024, with a pace of 100,000 employees trained per year between 2022 and 2024. Since it was launched, 2,000 employees received training at the Digital Retail Academy.

Attracting, supporting and developing talent

Attracting talent

All of the Group's countries are improving their recruitment strategies and modernising their practices as a means of attracting new talent, especially in high-demand specialities including food-related professions, IT and digital technology. This involves better analysis of recruitment needs and issues, diversified communication channels by profile, occupation and location, and the use of innovative recruitment techniques on social media (e.g., Metaverse, LinkedIn, Instagram, Facebook, X and TikTok). Lastly, Carrefour is now collaborating with several employment- and integration-focused non-profits and institutions, as well as business, engineering and IT schools.

Retaining talent

Employee retention is closely linked to the career management system led by Human Resources, including the systematic organisation of annual appraisal interviews, opportunities for mobility and internal promotion, and employee training programmes. In addition, career development interviews have been introduced in all countries.

Carrefour listens to its teams and uses the Employee Net Promoter Score® (eNPS®), a metric that measures employee engagement through an online survey. In 2023, over 22,000 employees participated in the survey; the score of 86% achieved puts Carrefour above the industry average (Ipsos survey).

In order to allow all employees to share in the Group's success, an employee share ownership plan, Carrefour Invest, was offered to the Group's 334,640 employees in the first half of 2023. This initiative resulted in employees subscribing for approximately 75 million euros in Carrefour SA shares. Carrefour Invest is sending out a strong signal, as the Group has undertaken to use at least half of the total amount subscribed (the highest percentage in the CAC 40), i.e., more than 37 million euros, to fund or provide further funding for environmental or social projects internally. One third of the funding had already been earmarked by the end of 2023. Projects eligible for funding via Carrefour Invest cover the following four areas of action:

- renewable energy (including solar panels);
- pollution prevention and control (including refrigeration units);
- products, technologies and production processes adapted to the circular economy (including bulk, deposits, collection);
- access to essential services (including accessible shopping carts, accessibility of e-commerce sites, etc.).

These projects are funded in all integrated countries and contribute to the achievement of the Group's strategic plan and its CSR ambitions.

Developing team skills

In order to accelerate access to management positions, Carrefour is doubling the number of graduates from the Leaders School and ensuring its gradual expansion throughout the entire Group. After Argentina, Spain, France, Poland, Italy, Belgium, Romania and Brazil now have Leaders Schools. 5,000 employees will graduate by 2026. Open to all willing employees, this programme allows access to more senior responsibilities, often following a course conducted in partnership with a higher education institution (such as Paris Dauphine University in France).

Guaranteeing human rights and labour rights

Carrefour is committed to promoting human rights and labour rights in its operations, ensuring that each worker receives compensation guaranteeing a decent standard of living. In 2023, Carrefour updated its human rights risk map of its own operations. The result is a comprehensive universe of human rights and health and safety risks identifying all situations potentially arising in Carrefour's operations and among its franchisees. The risk assessment was conducted based on Carrefour's professions and operating countries. The retail (in integrated and franchised countries), logistics and e-commerce professions are exposed to the same four key risks:

- harassment, discrimination and failure to adhere to diversity principles,
- illegal work,
- occupational health and safety risks,
- deteriorated working conditions.

Guaranteeing social dialogue

Carrefour promotes and encourages social dialogue globally, as well as at the European and local levels. As a signatory to a framework agreement with UNI Global Union, the Group recognises the importance of trade unions and employee representation. It guarantees freedom of association and respect for the principles of collective bargaining.

The ECIC, its European Works Council, is one of the most widely recognised such bodies for the quality of its content and interactions between management and employee representatives. In 2023, the ECIC met 12 times.

In each Group host 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. In 2023, 78 collective bargaining agreements were signed by Carrefour group companies.

In Brazil, the Group has a team specialising in trade union relations, which is responsible for social dialogue wherever necessary.

2.1.8 WORKERS IN OUR VALUE CHAIN

2.1.8.1 Our objectives and outcomes

Overview

As an international retailer, Carrefour sources its products from a large number of suppliers around the world. Since 1995, the Group's approach to human rights has been based on international recommendations and standards such as the Universal Declaration of Human Rights, the United Nations Global Compact, the Declaration on Fundamental Principles and Rights at Work and the Fundamental Conventions of the International Labour Organization (ILO), the Organisation for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises, and the United Nations Guiding Principles on Business and Human Rights.

The Group has committed to defining objectives, monitoring indicators and implementing corrective measures to ensure best practices among its suppliers and among those with whom they do business. Carrefour also measures the risks inherent to its supply chains and the social and environmental compliance of its suppliers, and promotes CSR best practices.

Risks and opportunities

The Group identified the following risk categories relating to workers in the value chain: adequate working conditions, decent wages, internal social climate, health and safety at work, equal treatment and opportunities for all, training and skills development, attracting and retaining employees.

TYPE OF RISK	RISK	OPPORTUNITY
Working conditions, workers' health and safety, discrimination and training	Inadequate working conditions at suppliers, resulting in Carrefour being challenged for failing to respect human rights or jeopardising people's health and safety Complaints against Carrefour or its suppliers concerning discriminatory recruitment practices or inequalities between employees at suppliers Increase in product costs due to loss of skills/expertise among suppliers' employees Reduced product quality due to high staff turnover and loss of supplier expertise	Risk management and appropriate duty of care measures with a positive impact on the Group's reputation and the quality of the products sold Innovative partnerships with suppliers to provide new products, develop new techniques and step up transitions
Decent wages	Regulatory pressure for a fairer distribution of value along the production chain (e.g., AgroALIM law), leading to higher product purchase prices Agricultural crisis, disruption of supply and complaints that the retail industry poorly compensates farmers in the value chain (e.g., the milk and pork crises in France)	Supply chain resilience through the establishment of partnerships with producers, for example guaranteeing fair prices
Internal social climate	Increased staff turnover among suppliers, loss of skills, lower product quality leading to higher costs for Carrefour or the need to change suppliers	

Coalitions and partnerships

- Global framework agreement with UNI Global Union
- UNI Global Union worldwide alliance
- "Group Deal" with the French Ministry of Labour
- Agreement establishing the European Works Council with the FIET
- European social dialogue meetings, Eurocommerce
- Initiative for Compliance and Sustainability (ICS) standards
- Business Social Compliance Initiative (BSCI) standard
- Agreement with Bangladesh (in transition with the RSC-RMG Sustainability Council)

Contributions to the Sustainable Development Goals

SUMMARY OF OUR OBJECTIVES AND OUTCOMES

Topic	Objective	2023 Result	2022 Result	Change	Target
Respect for human rights and labour rights					
Promoting respect for human rights and labour rights	**Percentage of supplier factories of controlled products located in high-risk or risk countries covered by a social audit**	100%	100%	0 pts	**100% per year**
	Percentage of social audits with alerts (potential production plants)	19%	17%	+2 pts	
	* Of which alerts related to working hours	23%	28%	-5 pts	
	* Of which alerts related to compensation, working conditions and benefits	21%	24%	-3 pts	
	* Of which alerts related to health and safety	41%	30%	+11 pts	
	Number of social audits (potential production plants)	1,161	1,418	-18.1%	
	* Of which Bangladesh	66	54	+22.2%	
	* Of which China	754	907	-16.9%	
	* Of which India	75	77	-2.6%	
	* Of which Turkey	64	102	-37.5%	
	* Of which Other countries	202	278	-27.3%	
	Number of units screened using the Sentinel tool	4,000	3,873	+3.3%	
	Number of sites screened using the Sentinel tool with alerts	78	105	-25.7%	

Topic	Objective	2023 Result	2022 Result	Change	Target
Ensuring fair compensation and decent wages	Number of partner producers in organic farming, CQLs, regional and local producers and partners embracing other approaches	46,013	37,758	+21.9%	
	For indicators relating to social audits, see the indicators mentioned above under "Guaranteeing human rights and labour rights				
	Sales (incl. VAT) of fair trade products (own brand and national brand) (in thousands of euros)[1]	122,515	137,167	-10.7%	
Protecting the health, safety and quality of life of workers in the value chain					
Protecting the health, safety and quality of life of workers in the value chain	For indicators relating to social audits, see the indicators mentioned above under "Guaranteeing human rights and labour rights"				

(1) Scope : France only.

2.1.8.2 Our action plans

Respect for human rights and labour rights

Purchasing governance and organisation

Purchasing has the major responsibility of both securing supply chains and ensuring that ethics principles and purchasing rules for the food transition are applied. The Food Transition Committee defines the strategic guidelines and the Group Merchandise department sets out the CSR and food transition objectives relating to responsible purchasing. This department coordinates the national offices which are responsible for rolling out and implementing the purchasing rules for the food transition in each country. These rules are aimed in particular at suppliers of various purchasing centres or, as the case may be, local producers. For example, Global Sourcing is the purchasing centre for non-food products (textiles and small household goods), and Socomo, a Carrefour entity in Spain, is the Group's purchasing centre for fruit and vegetables.

Upholding human rights among our suppliers and in our value chain

To ensure compliance with this commitment, Carrefour is rolling out tools and procedures to support its suppliers. The Supplier and Service Provider Commitment Charter forms an integral part of all purchasing contracts. It contains nine chapters on human rights, ethics and the environment, including respect for health, safety and human rights within supply chains. 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.

Based on the main international benchmarks and standards in this area, Carrefour has set itself commitments to combat child labour, forced labour, illegal labour, slavery and human trafficking (see 2.2 Duty of Care Plan).

The Group's social purchasing rules set out the actions to be implemented for all purchases of controlled products by the Group in all countries. Each country team prepares its own plan based on local conditions and supervises its proper implementation. These rules set out in particular:

- that suppliers must sign the Commitment Charter;
- the compliance process and rules applicable for social audits (see Section 2.1.8., Workers in our value chain);
- that the Group's purchasing entities must appoint a person in charge of social and environmental compliance;
- an action plan to bring production phases into compliance with specific purchasing rules; and
- sensitive raw materials.

In accordance with Carrefour's purchasing rules, all supply plants located in risk or high-risk countries must undergo a social audit. The audits are conducted under Initiative for Compliance and Sustainability (ICS) and Business Social Compliance Initiative (BSCI) standards. They serve to pave the way for dialogue and bring the supplier's working conditions in line with requirements.

A total of 1,161 compliance audits were completed in 2023. 19% of these audits resulted in alerts and corrective action plans. The main alerts related to working hours (23%).

Whistleblowing systems and measures specific to forced labour

In addition to compliance audits, Carrefour uses various whistleblowing systems to detect situations that could lead to human rights violations such as forced labour. These systems have been rolled out in particularly high-risk areas of the Group's supply chain, such as the Tamil Nadu region (India) and the Xingjiang region (China). The Sentinel and Worker Voice tools have been implemented in these regions since 2022:

- Sentinel (Xingjiang region): collects potential alerts on the Group's supply chain via social networks, the Internet, etc. More than 4,000 alerts were identified in 2023;
- Worker voice: ethics hotline and targeted questionnaire on forced labour, directly with workers at Carrefour's main spinners in Tamil Nadu, India.

Commitments and measures specific to textiles in Carrefour's supply chains are also in place (see 2.2 Duty of Care Plan, Section 2.2.7.3.3 Prevention of forced labour in the textile supply chain).

Mapping tier 2 suppliers in high-risk countries

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

Fair compensation and decent wages

Contractual conditions and compliance audits for suppliers in high-risk countries

Carrefour is committed, through its Commitment Charter on Human Rights, to ensuring that each employee receives sufficient compensation to achieve a decent standard of living and that the minimum wage is applied in its supply chain.

In relation to decent wages, Carrefour's purchasing rules include audits on compliance with the 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 the 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" and "working hours".

Developing fair trade products

Through its purchases, Carrefour has been developing and promoting 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. In 2023, 123 million euros worth of fair trade products were sold in Carrefour stores worldwide (down 10.7% versus 2022). Product sales generated 1,900,290 million euros in development bonuses for cooperatives, on top of the fairer retail price paid to producers, which have financed study grants, water purifiers, schools, maternity units, and more.

Tracing supply lines and communicating transparently

Carrefour aims for "all natural raw materials used in TEX products to be sustainable and traceable" by 2030. To this end, it supports its direct and indirect suppliers in improving their social performance. In this regard, it has developed a methodology to identify its tier 2 suppliers, trace supply lines and as a result ensure fair compensation throughout the value chain.

Thanks to its partner, Cotton Connect, Carrefour ensures that producers in its Indian organic cotton supply line working in Madhya Pradesh and Maharashtra 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. 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.

Fair compensation for producers

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 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.

Social and stakeholder dialogue

For many years, Carrefour has maintained ongoing dialogue with its stakeholders. This enables the Group to ensure that its CSR strategy stays relevant, that new commitments are in line with the strategy, and that suitable action plans are drawn up. Several times a year, Carrefour arranges meetings in order to draw up functional recommendations on a specific CSR issue. These meetings are attended by around 50 people representing the Group, NGOs, government, customers, investors and suppliers, who come together to share their expertise and point of view on the subject in question. Carrefour also leads several long-term action plans in conjunction with various non-profits, such as the WWF® since 1998.

Carrefour views its partners and employees as key players in the Group's duty of care, contributing to the reporting of alerts. In this regard, Carrefour signed a global framework agreement, which was renewed in 2021, with the trade union organisation UNI Global Union, with the aim of maintaining ongoing social dialogue. This agreement aims in particular to promote the defence of and respect for workers' basic human rights (freedom of association and collective bargaining, in addition to safety and working conditions at Carrefour and at suppliers and franchises). A dispute management procedure is incorporated in the framework agreement, enabling complaints reported to a trade union representative or Carrefour's teams to be passed onto the UNI and Carrefour's management, with assurance that the matter will be dealt with.

Franchisees

On an international level, Carrefour requires that its franchisees respect human rights by systematically attaching to their contracts its Charter for the Protection of Human Rights. Through this charter, they commit to compliance with international labour rights standards, the Universal Declaration of Human Rights and several ILO conventions, including those on child labour, forced labour and freedom of association. In line with the commitments made at Group level, the charter requires franchisees to:

- not engage in slavery, debt bondage or forced or compulsory labour;
- not allow children under the age of 15 to work, and to employ children under the age of 18 only for production, manufacturing and assembly tasks under conditions that do not endanger their health, safety or moral integrity, and that do not harm their physical, mental, spiritual, moral or social development;
- ensure that workers have the right to organise freely in trade unions and be represented by organisations of their choice for the purpose of collective bargaining;
- offer good working conditions, particularly with regard to working hours, safeguarding their health, safety and moral integrity.

By signing this charter, franchisees agree to ensure compliance among all their employees, suppliers, sub-licensees, subcontractors and/or sub-franchisees, as appropriate. They ensure that these principles are applied, by organising checks such as observation visits, which are followed up by dedicated reports and, where necessary, by corrective action plans, as well as follow-up visits where appropriate. Lastly, they authorise the Carrefour group or any authorised person to carry out unannounced compliance checks relating to the charter's commitments.

2.2 Carrefour's Duty of Care Plan

2.2.1 GOVERNANCE OF THE DUTY OF CARE PLAN

2.2.1.1 Governance organisation and structure

A shared governance system is in place within the Carrefour group for the Duty of Care Plan, CSR and the food transition. This means that the same bodies, departments and entities are all involved in the various stages of implementing CSR and duty of care.

Management of the Duty of Care Plan and CSR is exercised jointly by the Group Executive Committee under the supervision of the Board of Directors (see Figure 1), mainly through its **CSR Committee**. The CSR Committee annually reviews the Group's performance with respect to the Non-Financial Statement and the Duty of Care Plan.

The Engagement, Finance and Strategy departments, the General Secretariat (in particular the Internal Audit and Risk department, the Legal department and the Ethics and Compliance department) and the Human Resources department are responsible for defining the Duty of Care Plan and monitoring its implementation, with the support of a number of dedicated internal committees.

Duty of care and CSR objectives have been implemented by the various business lines and stores at all levels (Figure 3).

FIGURE 1: DUTY OF CARE PLAN GOVERNING BODIES AND COMMITTEES

Deployment of the duty of care plan and the CSR strategy

THE ENGAGEMENT DEPARTMENT

- Supports the business lines in the implementation of policies and action plans.
- Innovates in CSR to transform the business lines.
- Monitors and evaluates non-financial performance.
- Assesses risks and monitors alerts.

Organisation:

- A team of approximately 20 people at Group level.
- Correspondents in all integrated and franchised countries.

In collaboration with

BUSINESS LINES AND STORES

Product merchandise and quality

- Implements the rules for the food transition and monitors them.
- Tracks alerts in supply chains, implements corrective action plans and risk mitigation.
- Collaborates with suppliers.

Assets and real estate

- Implements the transition plan towards stores' carbon neutrality.

Human resources

- Implements diversity and inclusion policies.
- Ensures the development of skills, health and well-being at work, payment of a living wage in all countries.
- Guarantees quality social dialogue.
- Promotes employee engagement through the Act For Change programme.

Marketing and communication

- Increases visibility of our food transition actions through the Act For Food programme in stores.
- Measures customer satisfaction on CSR actions.
- Disseminates the objectives and good practices internally.

Formats and stores

- Deploy concrete actions in stores.
- Highlight and communicate actions to customers.

Management control and internal control

- Supports the reporting of non-financial data.
- Promotes the reconciliation of financial and non-financial processes.

COUNTRIES

The Country Executive Committees

- Define the food transition for all strategy.
- Define the action plans and budgets for the implementation of the CSR and food transition.
- Guarantee the monitoring of the non-financial performance.

CSR

- Coordinates the CSR approach and supports the business lines in implementing the action plans.
- Ensures alert follow-up and the implementation of corrective action plans.
- Ensures the monitoring of non-financial performance.

Business lines and stores

Deploy the CSR strategy and ensure performance monitoring.

In collaboration with

EMPLOYEES

NETWORKS OF COMMITTED AMBASSADORS ON THE GROUND

Roles and responsibilities:

- Carrying the values of food transition into the field.
- Implementing concrete actions in stores.

Organisation and bodies:

- "Clubs" of ambassadors in all countries.
- Annual international meetings.

EMPLOYEE REPRESENTATIVES

Roles and responsibilities:

- Ensure continuous social dialogue.
- Identify alerts on the ground.

Organisation and bodies:

- Regular local social dialogue.
- Meeting of the European Information and Consultation Committee every two months.

FIGURE 2: DEFINING THE GROUP'S DUTY OF CARE PLAN

Governing bodies

BOARD OF DIRECTORS

- Validates the strategy established by the Executive Committee.
- Evaluates the implementation of action plans.
- The various committees deal with ESG policies, e.g., the CSR Committee, the Audit Committee, etc. (see Section 3.2.3).

SHAREHOLDERS MEETING

- Gives an opinion on the Group's strategy to combat climate change (Say on Climate).
- Validates the compensation of corporate officers (Say on Pay).

GROUP EXECUTIVE COMMITTEE AND COUNTRY EXECUTIVE COMMITTEES

- The Group Executive Committee defines the strategy, policies and objectives and evaluates performance.
- The Country Executive Committees implement the food transition for all strategy.

The committees

Food Transition Rules Committee:
Membership: the Merchandise, Quality, Risk, CSR, Legal and Communication departments
Responsibilities:
- Monitor alerts in relation to products and supplies.
- Define action plans, monitor implementation of the duty of care plan and evaluate performance.
- Ensure crisis management in the event of an alert.

Alert Management Task Force:
Membership: the CSR, Legal, Merchandise, Quality, Risk, Human Resources, International Partnerships and Communications departments
Responsibilities:
- Identify and address alerts that arise within the Group and ensure the most appropriate corrective action plans are implemented.
- Cover the Engagement, CSR, Purchasing, HR, Safety, Risk, Quality, Communications and Compliance departments.

Group Risk Committee:
Membership: Executive Directors (members of the Group Executive Committee), and the Engagement, Strategic, Finance, Communications, Human Resources and Merchandise departments
Responsibilities:
- Approve the Group's risk map, and analyse the ESG (double materialty) and duty of care risk maps.

European Consultation and Information Committee (ECIC):
Membership: trade union delegations representing France, Belgiqum, Italy, Spain, Romania and Poland.
Responsibilities:
- Assemble the main European trade union organisations.
- Regularly review the duty of care plan, alerts and the risk map.

FIGURE 3: DEPLOYMENT OF THE DUTY OF CARE PLAN AND CSR STRATEGY BY BUSINESS LINES, COUNTRIES AND EMPLOYEES

Definition of the Duty of Care Plan and the CSR strategy

THE GROUP ENGAGEMENT DEPARTMENT

CSR AND FOOD TRANSITION INDEX

→ Defines the Group's CSR strategy in collaboration with the key departments.
→ Monitors the alerts raised through the various channels.
→ Coordinates the definition of the duty of care plan.
→ Ensures dialogue with the various stakeholders.

↓ In collaboration with ↑

The Strategy Department

CSR AND FOOD TRANSITION INDEX

→ Ensures that CSR objectives are integrated into the Group's strategy.
→ Reviews the annual strategic plans at country level.
→ Carries out regular performance reviews on the objectives of Carrefour's 2026 strategic plan.

The Finance Department

CSR AND FOOD TRANSITION INDEX

→ Makes decisions on capital allocation.
→ Annually validates budgets for all countries.
→ Integrates CSR criteria into the financial strategy (e.g., Sustainability-Linked Bonds) and investor communication.

The General Secretary

CSR AND FOOD TRANSITION INDEX

→ Produces the Group's annual risk map.
→ Audits the proper implementation of action plans in the countries.
→ Works to ensure the Group's compliance with the main regulations.

The Human Resources Department

CSR AND FOOD TRANSITION INDEX

→ Integrates diversity and inclusion objectives into the Group's HR strategy and agreements.
→ Manages social dialogue at the Group level.
→ Leads and steers performance in the countries.

CSR AND FOOD TRANSITION INDEX: Guarantors of the implementation of the CSR and Food Transition Index (Chapter 1, Section 1.5.3.), including the objectives ofthe climate plan.

Guarantors of the implementation of the duty of care and alerts follow-up.

Committees and bodies

Divisions and departments

2.2.2 STAKEHOLDER DIALOGUE

Carrefour works closely with its stakeholders to shape its duty of care every step of the way, from risk mapping to assessing the effectiveness of measures (see Figure 2). Dialogue processes contribute to the continuous improvement of the Group's Duty of Care Plan.

Carrefour has established a range of dialogue mechanisms to enable the drawing up of its Duty of Care Plan:

- **bilateral dialogue and long-term partnerships.** Group teams are in daily contact with expert stakeholders on issues relating to human rights, the environment, and health and safety. For all risks defined as a priority under the duty of care, Carrefour identifies the relevant players with which special dialogue should be maintained. Carrefour organises regular bilateral consultation processes to define and implement action plans. The Group also maintains regular dialogue with investors, who are likely to raise potential alerts that the Group would take into account as part of its Duty of Care Plan.
- **meetings with national-brand supplier partners.** Every year, the Group's CSR and Merchandise departments meet with international supplier partners to involve them in rolling out actions related to the food transition, especially the reduction of greenhouse gas emissions (GHG). National-brand supplier partners comprise the Group's 50 largest suppliers. After making commitments in relation to its own-brand products, Carrefour is now rallying its suppliers around a pact for the food transition for all. The aim is to encourage Carrefour suppliers to provide products and in-store tests that comply with the Group's food transition commitments in terms of packaging, biodiversity, climate, traceability and responsible products.
- **stakeholder panels and themed committees.** Several times a year, Carrefour arranges meetings in order to formulate functional recommendations on a specific CSR issue and/or the Duty of Care Plan. These meetings are attended by around 40 people representing the Group, NGOs, government, customers, investors and suppliers, who come together to share their expertise or point of view on the subject in question. The Group also forms committees of experts on specific topics whenever necessary. One such topic is the fight against deforestation: Carrefour has created a group of experts dedicated to assisting it with building its action plans.

FIGURE 2: STAKEHOLDER RISK MAP

Type of stakeholders	Role	Example of stakeholders
RISK MAPPING		
Scientific organisations and reference standards	Definition of methodologies and frameworks for risk analysis	Science Based Targets for Climate and for Nature, Task Force For Climate Disclosure, Task Force For Nature Disclosure
Social dialogue	Prioritisation and risk assessment	UNI Global Union
Service providers and experts	Prioritisation and risk assessment	Expert Committee on Deforestation in Brazil
REGULAR EVALUATION PROCEDURES		
Social audit standards	Audit of suppliers at risk	Initiative for Compliance and Sustainability, Business Social Compliance Program (BSCI)
Quality audit standards	Audit of stores and warehouses, audit of specifications	International Featured Standard, British Retail Consortium
Certifiers	Evaluation of the implementation of action plans and progress plans	GEEIS Diversity
Stakeholder coalitions	Shared assessments (e.g., traders)	Consumer Goods Forum
ACTIONS TO PREVENT RISKS AND MITIGATE SERIOUS HARM		
NGOs and associations	Definition of action plans, implementation of concrete projects	WWF, l'Autre Cercle
Stakeholder coalitions	Collective work to align with market expectations	Consumer Goods Forum, Lab Capital Naturel, Act For Nature International, Target Setting Group (SBTn)
Stakeholders and local partners	Implementation of local projects, consultation with players on the ground	The Sustainable Trade Initiative in Brazil
Suppliers and value chain	Construction of value chains, transformation of production methods	Partner producers
Governments	Stakeholder meeting around common objectives	Soy Manifesto (France), SNDI (France), Cacao Manifesto (France)
Regulators and certifiers	Definition of common requirements, verification, traceability and transparency	RTRS, RSPO, PEFC, FSC, MSC, Max Havelaar
Stakeholders panel	Co-construction of policies and action plans	Multi-stakeholder meetings (customers, suppliers, governments, investors, experts, etc.)
Trade unions	Information, consultation and dialogue	Social and Economic Committee (SCE), European Consultation and Information Committee (ECIC)
ALERT AND REPORTING MECHANISM		
NGOs	Identification of alerts and public appeals	Mighty Earth, Canopée
Rating agencies	Identification of controversies	CDP (formerly Carbon Disclosure Project)
Suppliers and local partners	Daily dialogue and alerts from Carrefour's teams	Worker Voice, Elevate
Employees and trade unions	Process for managing alerts from employees via social dialogue, the ethics hotline or through the hierarchy	UNI Global Union, employee representatives
PLAN FOR MONITORING MEASURES AND EVALUATING THEIR EFFECTIVENESS		
NGOs	Answering questionnaires and regular dialogue on progress	Réseau Action Climat, Greenpeace
Rating agencies	Performance measuring and identification of best practices	Carbon Disclosure Project
Individual investors and coalitions	Performance evaluation and dialogue around measure monitoring	Forum for Responsible Investment (FRI), FAIRR, Platform Living Wage Financials
Regulators and auditors	Publishing and verification of performance indicators	French financial markets authority (AMF), Independant Third-Party Verification Body
Social dialogue	Information and concertation	UNI Global Union, employee representatives
Certifiers	Progress evaluation	GEEIS Diversity

2.2.3 RISK MAP

2.2.3.1 Risk mapping methodology

Aligning the duty of care risk map with the Group's other risk maps

The Carrefour group developed a specific ESG risk map in 2023 to comply with duty of care regulations and in anticipation of the Corporate Sustainability Reporting Directive (CSRD) and adopted new specific mapping of environmental, social and governance (ESG) challenges in 2023. The ESG map analyses the materiality of the internal and external impacts of these challenges.

The ESG map is based on the Carrefour group's risk management methodology, and includes in its scope of analysis the specificities of the Duty of Care Plan. Its alignment with the Group risk map is based on:

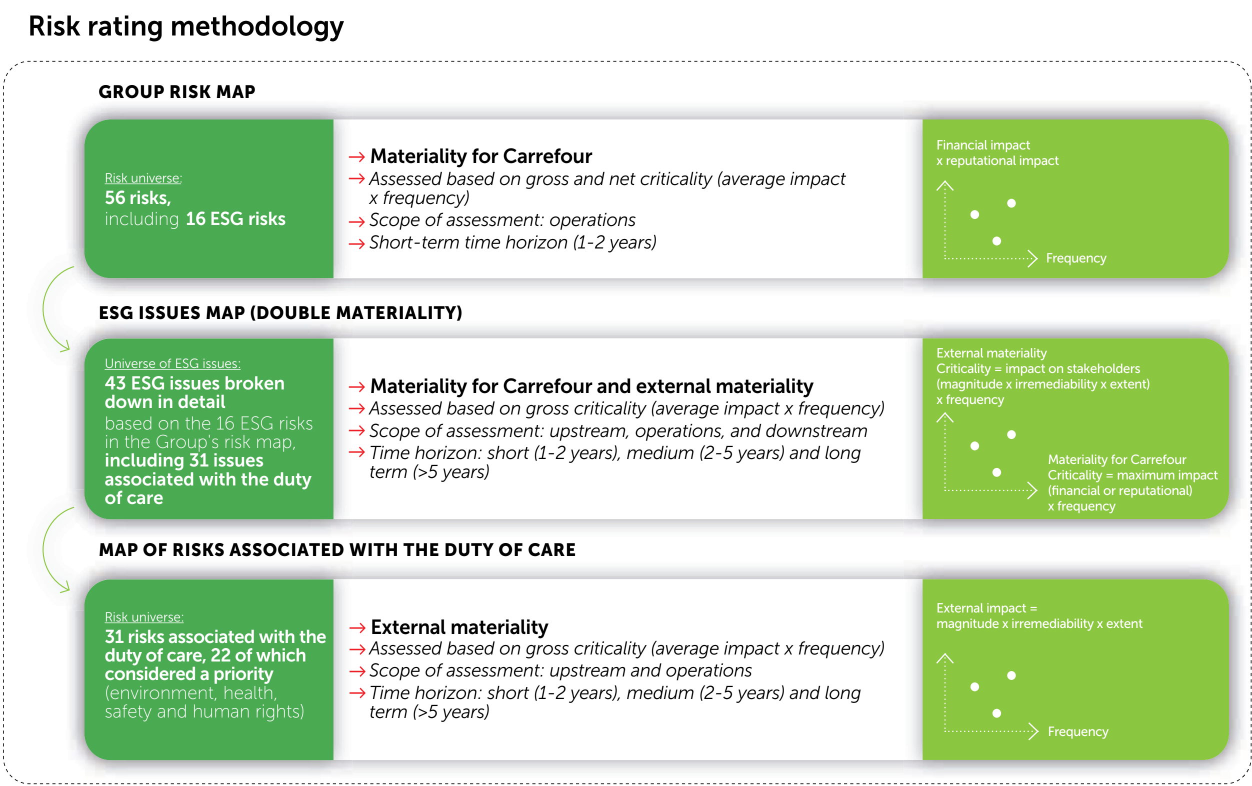
- the overlap between the two risk universes: from 2024, the Group's risk universe will present a consolidated view of the risks covered by the ESG map;
- consistent rating scales, particularly for measuring financial impact.

The Group's environmental, social and governance risk universe comprises a total of 43 identified risks. Among the 31 risks relating to the duty of care, 22 have been identified as priorities for preventing serious harm to the environment, human rights, or health and safety. These 22 risks are broken down in detail as part of the Group's duty of care, both upstream and in its own operations.

Risks associated with the duty of care are included in the ESG map. As a result, the assessment process and method used are identical to those used for ESG mapping.

The map is updated annually and takes into account any possible controversies and alerts identified in the media and through dialogue with stakeholders. The methodology was reviewed in depth in 2023 as part of a continuous improvement process in line with regulatory developments and best practices.

FIGURE 3: RELATIONSHIP BETWEEN THE GROUP'S VARIOUS RISK ANALYSIS MAPS



* From 2024, the Group's risk universe will present a consolidated view of the risks covered by ESG mapping.

Governance of duty of care risk mapping

The mapping of ESG issues and of risks related to the duty of care are carried out by the CSR team in close cooperation with the Group Risk department, the Finance department and the Group Legal and Compliance department.

The risk map is reviewed and approved by the Group Risk Committee, made up of Executive members, and by the Board's CSR Committee. The Group Risk Committee gave its opinion on the assessment of the various risks. In early 2024, the map of the risks associated with the duty of care will be submitted to the Committee on Purchasing Rules for the Food Transition, which includes the merchandise and quality teams responsible for monitoring and deploying the Duty of Care Plan for products and raw materials, and to the European Works Council (*Comité d'information et de concertation européen Carrefour*), which includes employee representatives at European level.

Scope of risk assessment

As part of a comprehensive company risk management approach, and in order to take account of the specific nature of the risks associated with the Duty of Care Plan, these risks are assessed solely in terms of Carrefour's external impact, i.e., its impact on the environment, human rights, health and safety. Consequently, this method excludes the assessment of the impact (financial or reputational) of these risks on Carrefour.

In line with France's duty of care law, risk analysis covers both upstream aspects and Carrefour's own operations. A specific rating for these two areas is given for each risk in order to prioritise the identified impacts and the related action plans.

In addition, the scope of assessment follows different time horizons, with a time horizon being assigned to each risk to assess the most relevant time scale:

- an initial short-term horizon (0-2 years) to deal with immediate risks and align them with the Group Risk department's annual monitoring programme. Examples include the internal social climate, adequate working conditions and energy consumption;
- a second, medium-term time horizon (2-5 years) to deal with more complex risks, such as greenhouse gas emissions, microplastic pollution of ecosystems or the consumption and degradation of marine resources. This time horizon is aligned with that of the Carrefour 2026 strategic plan.
- lastly, a long-term horizon (>5 years) allows the Group to integrate longer-term risks into its strategic vision, as well as its *raison d'être*. It covers long-term risks such as the depletion of water resources.

Definitions:

- **upstream of the Carrefour value chain:** risks of serious violations of human rights and fundamental freedoms, the health and safety of people and the environment resulting from the activities of suppliers, subcontractors and subsidiaries with which Carrefour has an established commercial relationship.
- **own operations:** risks of serious violations of human rights and fundamental freedoms, the health and safety of people and the environment resulting from Carrefour's activities.

Defining and updating the duty of care risk universe

The Group uses standards and benchmarks to define the duty of care risk universe, for example:

- the issues identified under the CSRD;
- the core conventions of the International Labour Organization (ILO);
- internationally recognised standards defining human rights, including the Universal Declaration of Human Rights, the guiding principles of the Organisation for Economic Cooperation and Development (OECD), the United Nations Global Compact, the International Covenant on Civil and Political Rights, the International Covenant on Economic, Social and Cultural Rights and the global framework agreement with UNI Global Union;
- non-financial reference standards such as the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB),
- questionnaires from non-financial rating agencies used each year to assess the Group's performance, controversies and risks (Moody's Vigeo, Dow Jones Sustainability Index, Sustainalytics, ISS, Carbon Disclosure Project, etc).

The Group's CSR team monitors practices on an ongoing basis based on the standards and benchmarks mentioned above, as well as any controversies and alerts identified in the media or through dialogue with stakeholders. This enables us to identify any new risks within the universe of risks covered by the duty of care. The ESG risk universe is updated every year to incorporate any of these new risks, and also to take better account of current events and strategic priorities that may change over time.

Documentation and independence of analyses carried out

The mapping exercise is based on the expertise of the various business lines and external experts. The entire process is coordinated and approved by Ernst & Young, in consultation with experts in specific fields (such as ICare and WWF France for biodiversity risks).

To ensure that the ratings are robust, the impact on stakeholders is assessed based on detailed risk analyses that provide a detailed understanding of the impacts, risks and opportunities associated with each of the risks in question. These analyses are based on reference standards specific to each risk (for example: Science Based Targets for Nature, Task Force For Nature Disclosure, Task Force For Climate Disclosure for climate and biodiversity; the principles of the Accountability Framework Initiative (AFI) on combating deforestation and ecosystem conversion). Reference databases and risk analyses were also used, such as AMFORI-BSCI's list of risk countries or ITUC's Global Rights Index to assess human rights risks. The assessments are determined in line with other available maps (see Table 1).

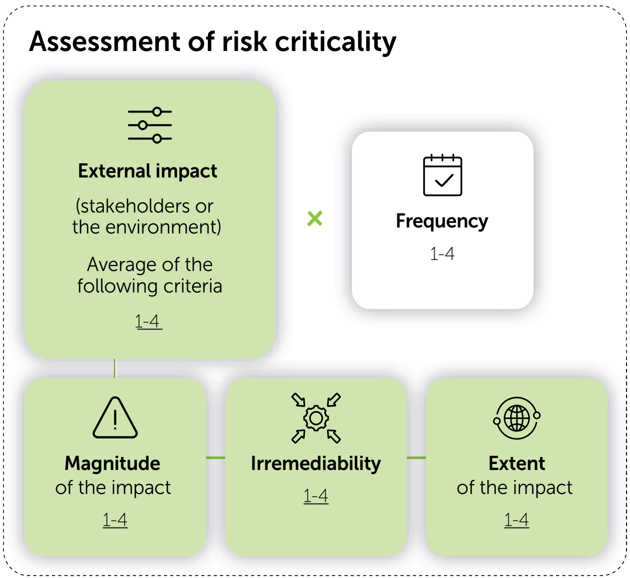
TABLE 1: EXAMPLES OF AVAILABLE ANALYSES OF RISKS, OPPORTUNITIES AND IMPACTS, USED TO DOCUMENT RISK ASSESSMENTS BASED ON EXPERT OPINION

TYPE OF RISK	VALUE CHAIN	EXAMPLE OF IMPACT, RISK AND OPPORTUNITY ANALYSES TO ASSESS THE RISKS ASSOCIATED WITH THE DUTY OF CARE
Human rights, Health and safety	Upstream	Mapping of geographical areas at risk with regard to human rights issues (based on the AMFORI-BSCI list and the ITUC Global Rights Index).
Human rights, Environment	Upstream	Mapping of high-risk sectors and production phases. Example of an identified risk: failure to pay fair wages in textile spinning mills, water pollution in textile dyeing factories.
Human rights Environment Health and safety	Upstream	Mapping of at-risk raw materials. The following factors are taken into account: respect for the environment, impact on biodiversity, resilience to climate change, respect for human rights, workers' health and safety. Example of an identified risk: contribution of Brazilian beef farming to deforestation.
Environment	Upstream, Operations and Downstream	Development of the Science Based Targets for Nature methodology in order to identify the Group's impact and dependency on biodiversity. An example of the footprint measurement tools used: The Corporate Biodiversity Footprint, ENCORE.
Human rights risks	Operations	Mapping of gross human rights risks relating to the Group's own operations. Example of risk identified: harassment, discrimination and non-compliance with diversity principles in Brazil.

Risk assessment methodology

Risks are assessed in terms of their frequency and impact on stakeholders and the environment on a scale from 1 (low risk) to 4 (very high risk).

FIGURE 4: METHODOLOGY FOR ASSESSING RISKS ASSOCIATED WITH THE DUTY OF CARE



Carrefour's external impact is assessed using the average of the following three criteria:

- **magnitude of the risk:** a very high risk level corresponds to the possibility that an event will lead to death, the total loss of psychological well-being, the destruction of fauna, flora or the environment, or the intensification of climate change;
- **irremediability of the risk:** a very high risk level corresponds to the possibility of damage that cannot be remedied without significant side effects or after-effects, or that is difficult to compensate;
- **extent of the risk:** a very high risk level means a potential impact on society as a whole, at the global level.

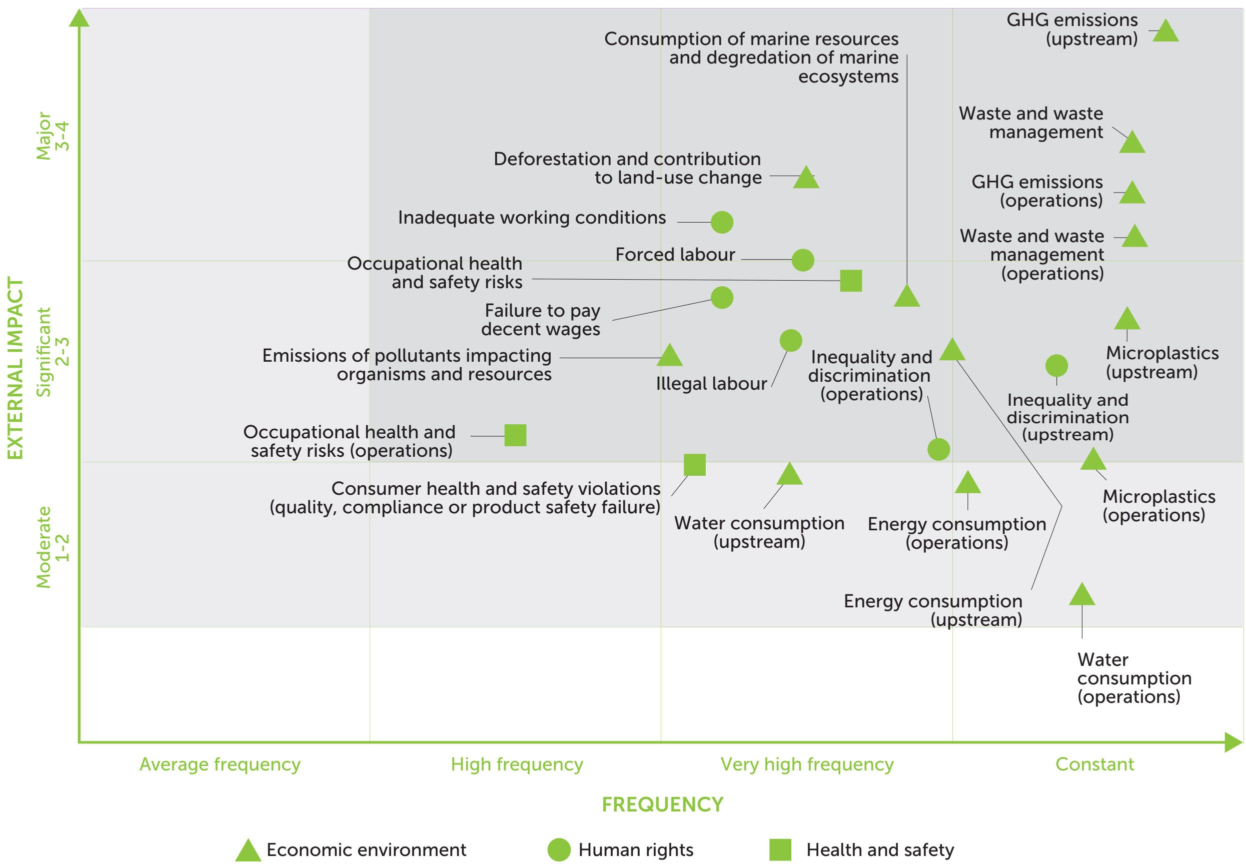
Frequency is assessed on a scale of 1 (every five years or less) to 4 (permanent risk).

The frequency and external impact are assessed independently of the action plans put in place by the Group (gross assessment). The risks analysed are therefore the gross risks.

2.2.3.2 Risk mapping results and duty of care

The results of the mapping exercise for gross risks* relating to the duty of care are presented in Figure 2 below.

FIGURE 2: DUTY OF CARE GROSS RISK MAP



* The frequency of risk assessment and risk criticality are evaluated independently of the action plans implemented by Carrefour (gross risks).

TABLE 2: PRESENTATION OF THE GROSS RISKS IDENTIFIED FOR RISK MAPPING IN ORDER OF PRIORITY (ASSESSMENT OUTCOME – IMPACT ON STAKEHOLDERS AND ENVIRONMENT X FREQUENCY)

	RISKS RELATING TO THE DUTY OF CARE	VALUE CHAIN	TIME HORIZON	RISK CATEGORY
1	Upstream greenhouse gas emissions	Upstream	Medium term	Environment, Health
2	Waste and poor waste management	Upstream	Short term	Environment
3	Greenhouse gas emissions	Own operations	Medium term	Environment Health
4	Deforestation and contribution to land-use change	Upstream	Short term	Environment Human rights
5	Waste and poor waste management	Own operations	Short term	Environment
6	Inadequate working conditions	Upstream	Short term	Human rights Health
7	Occupational health and safety risks	Upstream	Short term	Health and safety
8	Forced labour	Upstream	Short term	Human rights
9	Microplastic emissions	Upstream	Medium term	Environment Health
10	Consumption of marine resources and degradation of marine ecosystems	Upstream	Medium term	Environment Human rights
11	Failure to pay decent wages	Upstream	Short term	Human rights
12	Illegal work	Upstream	Short term	Human rights
13	Consumption of energy resources	Upstream	Short term	Environment
14	Unequal treatment and discrimination	Upstream	Short term	Human rights
15	Microplastic emissions	Own operations	Medium term	Environment Health
16	Emissions of pollutants impacting living organisms and food resources	Upstream	Long term	Environment Health
17	Water consumption	Upstream	Long term	Environment
18	Unequal treatment and discrimination	Own operations	Short term	Human rights
19	Consumption of energy resources	Own operations	Short term	Environment
20	Water consumption	Own operations	Long term	Environment
21	Occupational health and safety risks	Own operations	Short term	Health and safety
22	Consumer health and safety violations due to quality, compliance or product safety failure	Consumers	Short term	Health and safety

The identified risks are categorised according to the materiality of their main impact on health and safety, human rights, and the environment, but they may have other impacts or may impact several categories.

2.2.3.3 Analysis of risks identified in the risk map

The risks and sub-risks taken into account are documented in the light of existing risk, impact and opportunity analyses and any alerts identified over the last three years.

2.2.3.3.1 Analysis of identified environmental risks

Greenhouse gas emissions

Definition: The company emits greenhouse gases (GHG) as part of its operations. These mainly include carbon dioxide (CO_2), methane (CH_4), nitrous oxide (N_2O) and fluorinated gases used in particular for refrigeration systems.

UPSTREAM risks	Risks relating to GROUP OPERATIONS
GHG emissions associated with the production of goods and services (agricultural production, land-use change and product processing)	Leaks of refrigerant gases used in store refrigeration systems (air conditioning and fridges)
GHG emissions from transporting goods (by rail, road and air)	Excessive consumption of carbon-based energy to run stores and warehouses
Excessive energy use and leaks of refrigerants in the cold chain and in product production	

Consumption of marine resources and degradation of marine ecosystems

Definition: Overexploitation of marine resources, degradation of the seabed and pollution of the seas and oceans (particularly from plastic) can significantly impact marine habitats by depleting resources and degrading ecosystems. Food companies depend on marine ecosystems and their ecosystem contributions such as climate regulation, food production and raw materials.

UPSTREAM risks
Discarding polluting materials and substances into the ocean, in particular plastics used in product and package processing
Extracting, using and overexploiting marine resources for fishing
Destroying habitats through fishing techniques (e.g., trawling)

Waste and poor waste management

Definition: Waste is defined as any substance or object that the company holding said substance or object discards or intends or is required to discard (including food waste). Disposing of waste can have a negative impact on the environment and human health due to excessive exploitation of natural resources, pollution caused by non-recyclable waste or poor waste management, food waste and greenhouse gas emissions.

UPSTREAM risks	Risks relating to GROUP OPERATIONS
Excessive production and a lack of waste sorting in the agricultural sector and in the processing of raw materials, products and packaging	Excessive production and a lack of waste sorting by warehouses, stores or in property management/development (construction and renovation)
Food and non-food waste in the production chain (waste of resources, products discarded on farms and in processing plants)	On-site food and non-food waste due to poor management of inventories, promotions and unsold items
Production of waste in the supply chain due to irregularities in the cold chain, poor management of inventories and deliveries, product withdrawals/recalls, etc.	

Deforestation and contribution to land-use change

Definition: Deforestation means reducing forest areas to free up land for other activities or to use forest resources directly. Land-use change is, more broadly, the process of replacing a type of soil or vegetation to meet human needs such as farming or urbanisation. These two processes contribute significantly to climate change and biodiversity loss as natural habitats are destroyed.

UPSTREAM issues

Deforestation associated with the supply of sensitive raw materials (cocoa, palm oil, wood and paper, beef in Brazil, etc.)

Indirect deforestation associated with the production of certain products, in particular animal products using soy for animal feed

Conversion of ecosystems associated with the agricultural production of certain sensitive raw materials, in particular soy used for animal feed

Microplastic emissions

Definition: Microplastics refer to plastic particles generated or used during production processes. They may leave company facilities in the form of emissions, products or parts of products or services. These microplastics can be produced unintentionally when larger pieces of plastic, such as car tyres or synthetic textiles, become worn, or they can be deliberately manufactured and added to products for specific purposes.

UPSTREAM risks	Risks relating to GROUP OPERATIONS
Emission of microplastics during agricultural production or product processing (plastic sheeting, etc.)	
Emission of microplastics by tyres during goods transport	
Excessive use of plastics in the composition of products and packaging (textiles, etc.) which generates microplastics	

Consumption of energy resources

Definition: Energy refers to all types of energy production and consumption, whether renewable (including biogas and biomass) or non-renewable. Excessive energy use and promotion of high-carbon energy sources have a major impact on greenhouse gas emissions. Buying green energy – energy that comes solely from renewable sources (hydro, wind, solar, geothermal, etc.) – is a major challenge in the energy transition.

UPSTREAM risks	Risks relating to GROUP OPERATIONS
Excessive consumption of carbon energy for agricultural production, product processing and product transport	Excessive energy consumption by stores and dependence on carbon-based energy
Failure to develop renewable energy supply chains	Promotion of fossil fuels and lack of contribution to the low-carbon mobility transition (electric vehicles, soft mobility, etc.)

Emissions of pollutants impacting living organisms and food resources
Definition: Pollution destroys natural habitats and their biodiversity by degrading food resources. There are two types of pollution: (1) accidental pollution caused by the handling and storage of environmentally hazardous products (minor/major leaks) and (2) historical pollution, which is the risk of pollution associated with the historical activities of sites that could have generated pollution.
UPSTREAM risks
Use of pesticides and fertilisers, management of agricultural effluents, use of antibiotics in livestock farming
Release of GMOs into the environment, escape of farmed species and release of their diseases into the environment
Processing of raw materials, products and packaging using polluting substances (e.g., textile factories, tanneries, polluting industrial processes)
Pollution associated with goods transport (by road, air, etc.)

Water consumption	
Definition: Water use in the company and within the value chain includes the sum of (1) all water withdrawn at the company or on farms for any use, (2) the quantity of water withdrawn that was not discharged into the water environment or to a third party during the year, (3) and the total quantity of water withdrawn at its source.	
UPSTREAM issues	**Issues relating to GROUP OPERATIONS**
Water consumption for processing raw materials, products and packaging	Excessive water consumption for stores and warehouses
Water consumption for agricultural production	

2.2.3.3.2 Analysis of identified human rights risks

Inadequate working conditions
Definition: Working conditions refer to all the factors that contribute to ensuring a just and fair working environment for each and every worker by promoting safety, physical and mental integrity and well-being at work. Inadequate working conditions exist in various forms, such as working hours that are too long or not respected, an unsuitable working environment that puts workers' health and safety at risk, an insecure employment contract and a lack of work-life balance.
UPSTREAM risks
Failure to safeguard well-being at work, work organisation (working hours, night work, impact of restructuring) and work-life balance, and risk of stress
Insecure employment contracts and insufficient employee benefits (contract termination due to illness, disability, retirement or family commitments)
Deteriorating work environment: unhealthy, arduous work, extreme temperatures, lack of ergonomics

Forced labour
Definition: Forced labour corresponds to work performed under duress. It arises in situations where individuals are forced to work, whether through the use of violence, intimidation, manipulation in situations of indebtedness, confiscation of identity documents or threats of being reported to the immigration authorities, or by more subtle means.
UPSTREAM risks
Forced or compulsory labour
Withholding identity documents, threats against illegal immigrants
Withholding or non-payment of wages, debt bondage

Failure to pay decent wages

Definition: Failure to pay a decent wage means: (1) failure to pay the minimum wage set by local regulations, (2) a deterioration in the living conditions of the worker and their family, particularly in terms of food, water, housing, education, health care, transport, clothing and other essential needs, including preparation for unforeseen events.

UPSTREAM risks

Poor living conditions for workers and their families

Pay below the poverty line and/or the minimum wage, lack of benefits or bonuses for workers

Poor distribution of value among the various players in the supply chain, particularly farmers and farm workers

Illegal work

Definition: Illegal work is work carried out outside the law. It may for example be characterised by unpaid working hours, the absence of employment contracts, undeclared employees, contracts written in a language that is not understood, and the employment of undocumented foreign nationals.

UPSTREAM risks

Unpaid working hours

Lack of employment contracts, contracts in a language that is not understood

Undeclared workers, work by undocumented foreign nationals

Unequal treatment and discrimination

Definition: Unequal treatment refers to situations in which people are treated without dignity or respect, on grounds of race, skin colour, religion, sex, sexual orientation, age, disability, political opinion, national or social origin, or any other personal characteristic. This means that not all individuals enjoy the same rights and opportunities, and they are not all subject to the same rules and conditions, which is discrimination.

UPSTREAM risks

Gender inequality, pay inequality

Refusal to employ and/or failure to integrate people with disabilities among suppliers

Violence, sexual harassment, bullying and discrimination in the workplace

Poor inclusion and cultural, social, economic and generational diversity, lack of respect for political opinions, religions and sexual orientations of employees and customers

Risks relating to GROUP OPERATIONS

Gender inequality, particularly with regards to pay and parity in management and executive positions

Refusal to employ and/or failure to integrate people with disabilities into the workforce, inadequate store accessibility for customers with disabilities

Poor inclusion and representation of cultural, social, economic and generational diversity, lack of respect for political opinions, religions or sexual orientations of employees and customers

Racism in the workforce and towards customers (particularly in Brazil), harassment and discrimination

2.2.3.3.3 Analysis of identified health and safety risks

Occupational health and safety risks

Definition: Health and safety at work have a number of specific objectives, designed to protect employees' best interests. The first objective is to maintain a high level of physical, mental and social well-being among employees. The second challenge of occupational health is to prevent the risks to which employees are exposed in the workplace and accordingly protect them from harm. The final objective is to keep employees in a job that is suited to their physiological and psychological abilities.

UPSTREAM risks	Risks relating to GROUP OPERATIONS
Poor management of employees' tasks in high-risk industries (textiles, construction, steelworks) and other suppliers to the retail sector (repetitive handling, staggered working hours, exposure to pollution), exposing them to musculoskeletal disorders (MSD) and pyschosocial risks (PSR)	Poor management of employees' tasks (repetitive handling, staggered working hours, exposure to pollution and/or cold) making them vulnerable to MSDs and PSR or situations of hardship
Intentional injuries caused by a third party (abuse, theft, holdups, etc.)	Intentional injuries caused by a third party (abuse, theft, holdups, etc.).
Poor management of epidemics and pandemics	Poor management of epidemics and pandemics
	In-store workplace accidents related to risky operations: handling electrical equipment, loading and unloading trucks, handling sharp tools, exposure to burns and oil splashes when cooking
	Warehouse workplace accidents: storing pallets at height, crossings between moving equipment and pedestrians, handling electrical equipment

Consumer health and safety violations due to quality, compliance or product safety failure

Definition: Health and safety at work have a number of specific objectives, designed to protect employees' best interests. The first objective is to maintain a high level of physical, mental and social well-being among employees. The second challenge of occupational health is to prevent the risks to which employees are exposed in the workplace and accordingly protect them from harm. The final objective is to keep employees in a job that is suited to their physiological and psychological abilities.

Risks for CONSUMERS
Ineffective controls in place to guarantee product quality and conformity
Poor management of epidemics and pandemics
Deficiencies in the recall system leading to poor management of alerts
Lack of quality and hygiene in stores (poor management of the cold chain and expiry dates in particular)

2.2.4 RISK ASSESSMENT MEASURES

After identifying the risks to health and safety, human rights and the environment, Carrefour regularly assesses the management of such risks in its subsidiaries and at subcontractors and suppliers with which it has established business relationships.

RISK ASSESSMENT MEASURES	ACTIONS TAKEN	FREQUENCY
Measures for assessing risks to health and safety		
At Carrefour		
Occupational health and safety audits	Audits relating to the health and safety of employees in stores and warehouses are carried out by the internal control team. The purpose of these audits is to monitor the implementation of procedures concerning health and safety at work and the use of best practices, as well as compliance with regulatory requirements.	Store audits: Twice a year
	Health and safety risks are assessed in each work unit, in particular through the analyses conducted with prevention teams in recent years, which have identified safety hazards and related preventive measures. They have also shown that workplace accidents at Carrefour are most likely to occur in the stores and warehouses.	Annual
Among consumers		
Certifications, 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. 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. Where 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. Certification, labels and claims are also an effective means of combating food counterfeiting. The Group has therefore used these various means of evidence to deploy anti-food counterfeiting measures. Within the framework of certification standards recognised by Carrefour, suppliers are indeed audited on the existence and implementation of a plan to reduce food fraud. The process must define requirements on when, where and how to reduce fraudulent activities identified by a food fraud vulnerability assessment. The resulting plan defines the measures and controls required to effectively reduce identified risks. The control measures to be implemented may vary depending on the: ■ type of food fraud (substitution, mislabelling, adulteration or counterfeiting); ■ detection method; ■ type of oversight (inspection, audit, analytical, product certification); ■ source of raw materials and packaging materials.	-

<table>
<tr><th>RISK ASSESSMENT MEASURES</th><th>ACTIONS TAKEN</th><th>FREQUENCY</th></tr>
<tr><td colspan="3">Measures for assessing risks of human rights violations</td></tr>
<tr><td colspan="3">At Carrefour</td></tr>
<tr><td>Social certifications</td><td>The GEEIS international label evaluates and promotes organisations that take a proactive approach to gender equality. The Carrefour group's integrated countries are audited by Bureau Veritas with regard to the GEEIS. All Carrefour group host countries have been GEEIS-certified since 2022.</td><td>Follow-up audit: every two years
Renewal audit: every four years.</td></tr>
<tr><td colspan="3">Within the value chain</td></tr>
<tr><td>Social audits of suppliers of certified products</td><td>External social audits of direct suppliers of certified products are performed on the basis of the supplier's identified risk level. Audits may also be required for indirect suppliers depending on the circumstances. Identifying a supplier's level of risk involves several levels of analysis, the first one being the map of high-risk regions:

■ in countries where a risk has been identified, Carrefour's ultimate aim is to perform social audits on all production facilities that manufacture Carrefour-branded products;
■ 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;
■ for subsidiaries identified as high risk following a raw material and production process analysis, additional guarantees are required. If the supplier is identified as being at risk, a social audit is performed;
■ if the sector is not at risk, the supplier must at the very least sign the Supplier Commitment Charter (see Section 2.1.5.3). Social audits may be requested by Carrefour teams on a case-by-case basis.

These audits are performed by third parties in line with ICS or BSCI standards. The process comprises several steps:

■ a preliminary review by Carrefour of the facility's compliance with social, environmental and basic quality requirements;
■ an initial audit, preferably unannounced, performed by an independent firm selected by Carrefour, based on a standard shared with other brands, to determine whether the facility can be listed;
■ unannounced follow-up audits performed periodically by an independent firm to validate actions taken;
■ specific audits performed by an external company or by partners to review specific or one-off incidents involving the facility or the audit firms' practices and procedures.

The main occurrences of non-compliance identified in the Carrefour supplier network related to working hours, compensation levels and workers' health and safety.
Independent audits and inspections of supplier premises give rise to action plans designed to remedy any breaches observed, regardless of their severity. The supplier is required to implement the action plan before a specified deadline. Implementation is monitored through follow-up audits.

If a supplier audit report contains a critical non-compliance issue, Carrefour will be informed within 48 hours. These issues mainly concern child labour, forced labour, disciplinary measures, attempted corruption, document falsification and safety conditions threatening the lives of workers. Action is then taken by Carrefour and/or the supplier.

Training or specific support may be provided by Carrefour's teams to suppliers where warranted by non-compliance issues. Health and safety issues and water treatment are covered by Carrefour's social compliance audit process.</td><td>Annual</td></tr>
</table>

RISK ASSESSMENT MEASURES	ACTIONS TAKEN	FREQUENCY
Measures for assessing risks of environmental damage		
At Carrefour		
Reporting	Quarterly reporting is carried out to assess the impact of the Group's sites in terms of the climate (emissions linked to refrigerants, energy consumption) and waste (monitoring of markdowns that may generate food waste, the waste recovery rate, etc.). Audits are performed annually by an independent third party to verify the true and fair nature of the consolidated Group data.	Quarterly
Regular impact and dependency assessments	In 2022, the Group launched the SBTN Corporate Engagement Programme, which enabled it to perform initial mapping of its biodiversity impacts and dependencies, based on its activities. The mapping exercise helped to hone in on certain commodities that have a greater impact on biodiversity than others. It should eventually serve as a basis for drafting an action plan based on science-based targets. Going forward, biodiversity impacts and dependencies will be assessed on a regular basis.	-
Certifications	In Europe, Carrefour Belgium, Carrefour France and Carrefour Italy hold ISO 50001 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.	Renewed every three years with an audit
	All new Carrefour group shopping centre constructions and expansions are certified to BREEAM standards and BREEAM In-Use certification will be earned by every French site by 2025.	Renewed every three years with an audit
Within the value chain		
Textile supplier audits	**Clean Water Project:** a global programme set up to reduce the environmental impact of Carrefour supplier factories. This programme is primarily aimed at water-consuming textile industries that use water and chemicals for their production processes. It is designed by Carrefour Global Sourcing's sustainable development teams and seeks to raise awareness, train and audit suppliers in the management and efficiency of water and chemical consuming processes. The Clean Water Project includes in particular a training and audit programme in chemical management, an environmental programme in China in collaboration with the Institute of Public & Environmental Affairs (IPE) and a tannery certification programme. The Project includes a training and audit programme in chemical management, an environmental programme in China in collaboration with the Institute of Public & Environmental Affairs (IPE) and a tannery certification programme. It has already been carried out in India and Bangladesh, with support from chemical audits, and in China with support from the IPE.	Annual
	In Bangladesh and India, Carrefour Global Sourcing has issued the **Carrefour Chemical Guidebook**, which sets out guidelines for purchasing, storing, using and disposing of chemicals in factories. Compliance is encouraged with training and annual unannounced inspections of treatment plant water quality, chemicals management and the proper application of the Business for Social Responsibility (BSR) standard. Suppliers are monitored on the basis of a third-party chemical audit covering chemicals management, chemicals handling, wastewater treatment, sediment management and efficient water use management. The monitored suppliers are the integrated suppliers involved in dyeing and washing operations.	Annual

RISK ASSESSMENT MEASURES	ACTIONS TAKEN	FREQUENCY
CSR ratings of suppliers in the textile sector	Since 2019, clothing supplier assessments have incorporated a CSR rating in addition to the usual commercial, quality, and delivery (supply chain) ratings. This CSR rating includes the results of social audits, environmental assessments and alerts, management of suppliers' suppliers, component traceability, supplier certifications and good CSR practices (aside from mandatory compliance). Carrefour's local teams meet with the evaluated suppliers to share best practices and areas for improvement and they take this rating into account when selecting suppliers.	Annual
Environmental audits and certifications	Regular on-site environmental audits are commissioned at suppliers manufacturing labelled or certified Carrefour-brand products and where certain key facilities or processes may present environmental risks (raw material certifications such as RSPO, FSC, MSC, PEFC, ASC and organic labels; audits of the specifications of Carrefour Quality Lines products).	Annual
	A climate accounting system on supply chains to determine the highest-emission items and sources was introduced in 2019. The Group is working with suppliers to fine-tune the system as part of the Food Transition Pact (see Section 2.1.8 Workers in the value chain).	Annual
	The annual Retailer Cocoa Collaboration assessment programme: ■ measures the progress of cocoa traders with respect to the eight core principles of the Cocoa and Forests Initiative (CFI); ■ ensures that retailers all use the same assessment method; ■ enables retailers to make more informed decisions about cocoa sourcing.	Annual
	The Group sells an increasing number of sustainable products that require environmental and social certification. Examples include (i) organic cotton, whose supply chain must be certified by the Global Organic Textile Standard (GOTS), which is renewable only after an audit report, or by the OEKO TEX Standard 100 label; and (ii) tanneries, which must be certified by the Leather Working group (LWG).	**GOTS certification**: Annual **OEKO TEX label**: Annual

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2.2.5 PRESENTATION OF PREVENTION AND MITIGATION MEASURES FOR IDENTIFIED RISKS

2.2.5.1 General framework

The Carrefour group, which works with thousands of suppliers and service providers around the world, measures the risks inherent to its supply chains, assesses the social and environmental compliance of its suppliers and service providers, and promotes CSR best practices throughout its value chain. For this purpose, the Group has put in place a set of purchasing rules, tools and procedures for monitoring its suppliers and helping them achieve compliance.

Each of the tools is designed to comply with international CSR standards.

TABLE 4 – CONCORDANCE OF GENERAL FRAMEWORKS WITH INTERNATIONAL STANDARDS

	UNITED NATIONS GUIDING PRINCIPLES	OECD GUIDING PRINCIPLES	ILO CORE CONVENTIONS	UN GLOBAL COMPACT	INTERNATIONAL AGREEMENT WITH UNI GLOBAL UNION	UDHR(1)
Carrefour Principles of Ethics	X	X	X	X	X	X
Carrefour Code of Conduct	X	X	X	X	X	X
Carrefour Purchasing Rules	X	X	X	X	X	X
Carrefour Supplier and Service Provider Commitment Charter	X	X	X	X	X	X

(1) Universal Declaration of Human Rights.

Carrefour's Principles of Ethics: Code of Professional Conduct

All employees are given a copy of the Principles of Ethics, which new employees are asked to sign. The purpose is to establish the ethical framework governing the day-to-day activities of all employees.

The Principles of Ethics are as follows:

Respect diversity

Contribute to a safe and healthy working environment

Promote social dialogue

Ban all forms of harassment or discrimination

Select and treat suppliers with objectivity and loyalty

Cultivate transparent business relationships

Honour commitments to our partners

Refrain from all unfair agreements and practices

Ensure the safety of people and property

Safeguard the company's resources and assets

Guarantee confidentiality

Protect the environment

Act with integrity, both individually and collectively

Provide reliable and accurate reporting

Avoid conflicts of interests

Refuse all forms of corruption

Source: *https://secure.ethicspoint.eu/domain/media/en/gui/102586/code.pdf*

Purchasing Rules

To better reflect its CSR policy and its *raison d'être* in its purchasing, Carrefour has drafted and rolled out purchasing rules for the food transition in all countries where it operates. These rules form a set of preventive measures on certain raw materials to limit social and environmental risks through certifications or support for its value chain.

The purchasing rules provide a framework for the social and environmental compliance of purchases of controlled products. A total of 11 CSR and food transition purchasing rules applied at Group level incorporate social, environmental and ethical criteria as well as CSR objectives. They supplement the various initiatives already in place in each country and specifically include:

- the signature by suppliers of a Commitment Charter (see next section);
- the process and compliance rules for social audits;
- that the Group's purchasing entities must appoint a person in charge of social and environmental compliance;
- an action plan to bring production phases into compliance with specific purchasing rules; and
- sensitive raw materials.

The purchasing rules are subject to internal controls. The Internal Audit department verifies the quality of the overall system implemented by Carrefour to achieve its objectives, notably through a set of dedicated rules, good knowledge and management by the merchandise teams and a set of control procedures for the quality teams.

The Supplier and Service Provider Commitment Charter

The Supplier and Service Provider Commitment Charter forms an integral part of all purchase contracts in all countries for certified products and non-commercial purchases. It consists of nine chapters focusing on human rights, ethics and the environment: prohibition of forced or compulsory labour, prohibition of child labour, freedom of association and effective recognition of the right to collective bargaining, prohibition of all forms of discrimination, harassment and violence, workers' health and safety, decent wages, benefits and conditions of employment, working hours, principles of ethics, and respect for the environment.

The Charter prohibits clandestine or undeclared subcontracting, and has a cascade effect by requiring suppliers to demand the same social compliance standards of their own suppliers. In a spirit of reciprocal commitment, the Charter does not allow Carrefour to impose any conditions on suppliers that would prevent them from complying with the charter.

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2.2.5.2 Prevention and mitigation measures in place

The table below sets out the action plans and performance indicators for the priority risks based on the risk map (see Section 2.2.2.2 Risk mapping results).

RISK	PREVENTION AND MITIGATION MEASURES IN PLACE	RESULT[1]
Environment		
Upstream greenhouse gas emissions	At Carrefour: **Reducing emissions associated with refrigerants and energy consumption in stores:** Carrefour has issued the eight integrated countries a list of five priority initiatives and technologies recommended in their stores: ■ substitution of high-heating hydrofluorocarbons (HFCs) for commercial refrigeration; ■ installation of closed doors on refrigeration units operating at 0°C to 8°C to limit refrigerant leaks; ■ use of electronic speed controllers; ■ use of sub-metering systems and low-energy LED lighting; ■ reduction in refrigerant-related CO_2 emissions by phasing out of hydrofluorocarbon (HFC) refrigerants and limiting refrigerant leakage. Within the value chain: **Commitments from own-brand and national-brand suppliers to reduce their GHG emissions:** The "20 Megatonnes" project launched in 2020 aims to encourage suppliers to make commitments to reduce their emissions, measure their progress and involve consumers by offering them alternatives emitting less CO_2. The Group has invited its Top 100 suppliers to align with a 1.5°C trajectory by 2026 and has committed to delisting them if they do not meet this condition. In 2023, a Road to 1.5°C convention was organised to inspire and build momentum around the top 100 supplier objective. The aim of the convention was to give suppliers an overview of the key steps required to achieve a 1.5°C trajectory, and to identify best practices in the sector. The Group's Merchandise department also received training on climate change and supplier commitment. The training provided knowledge tools for all merchandise managers so that they can better manage future discussions with the Group's main partners. **Low-carbon agriculture:** Carrefour is developing responsible sourcing to reduce the climate impact of its own-brand products. The Group is committed to combating deforestation and developing agroecological practices within its Carrefour Quality Lines. These practices – reducing the use of pesticides and nitrogen fertilisers, adopting soil conservation techniques, etc. – very often help to reduce the CO_2 emissions linked to agricultural production. Carrefour is working on an "Agriculture and Climate" strategy. Lastly, the Group is developing initiatives to promote the consumption of local products. For example, Carrefour has launched the 0 km project, which encourages stores to list and display a range of products from less than 30 km away, and the local festival in all Carrefour formats in France, which promotes local products and know-how through events and tastings in stores.	Number of suppliers committed to the Food Transition Pact: **2023:** 306 **2022:** 204 **Change:** +50% Number of TOP 100 suppliers certified 1.5°C by SBTi: **2023:** 44% **2022:** 27% **Change: +17 pts** Number of suppliers involved in the 20 Megatonnes project: **2023:** 78 **2022:** 51 **Change:** +53% Number of partner products[2]: **2023:** 46,013 **2022:** 37,756 **Change:** +22%

RISK	PREVENTION AND MITIGATION MEASURES IN PLACE	RESULT[1]
	Fuel and green mobility: The Group continued to roll out electric vehicle charging infrastructure in its hypermarket and supermarket car parks in France. Carrefour is also rolling out hydrogen stations in the Greater Paris region through a partnership between Carrefour and HysetCo. Five distribution stations should be deployed in the Greater Paris region by summer 2024 under the partnership. In 2023, Carrefour and Uber also announced a partnership to improve the accessibility, cost and experience of EV recharging for private-hire drivers, who will enjoy preferential rates on the Carrefour Energies network from January 2024 in France. **Plant-based food**: As part of its commitment to the food transition for all, Carrefour stepped up the development of plant-based food. Carrefour is deploying a strategy based on: ■ a comprehensive and innovative product range: Carrefour has begun to develop its range of plant-based alternatives and pulses through its Carrefour Veggie brand, which is 100% vegetarian, V-Label certified and broadly affordable. Carrefour is also developing a range of plant-based proteins and meat alternatives through its other brands. ■ collaboration with suppliers: Carrefour has launched an international coalition to accelerate sales of plant-based alternatives with seven manufacturers (Danone, Unilever, Bel, Andros, Bonduelle, Nutrition & Santé and Savencia). The coalition is committed to achieving sales of 3 billion euros from plant-based meat alternatives by 2026, using a series of joint initiatives. ■ a promotional campaign to encourage people to eat plant proteins: Carrefour has teamed up with Danone to roll out the "*Lundi c'est veggie, mais aussi le mardi, mercredi…*" campaign (Monday is veggie day, but so is Tuesday, Wednesday…). The aim of the campaign is to promote healthy (Nutri-Score A or B), vegetarian or vegan eating. ■ promotion in stores and via e-commerce: to highlight low-carbon vegetarian products in stores and on the website, Carrefour has modified the display hierarchy on the e-commerce site and made such products easier to identify in stores. In March 2023, Carrefour Belgium supported the Veggie Challenge, a contest encouraging consumers to eat more plant-based products for 20 days. Throughout March, Carrefour posted veggie recipes for customers on social media. In France, in partnership with the WWF, Carrefour France is promoting low-carbon vegetarian recipes. These recipes are available at *https://www.carrefour.fr/recettes/manger-durable*.	

RISK	PREVENTION AND MITIGATION MEASURES IN PLACE	RESULT[1]
Consumption of marine resources	**Biodiversity damage caused by the use of ocean resources and aquaculture:** Carrefour has implemented sourcing rules for seafood products through a range of programmes. For example, Carrefour Quality Lines were created to encourage the adherence of aquaculture products to strict specifications. Certification, such as AB, MSC and ASC, provides strict control of each step in the supply chain. And lastly, low-impact fishing techniques are promoted (no fish aggregating devices, angling, etc.), and certain protected species including turtles and sharks are prohibited from sale at Carrefour. Carrefour has therefore defined an action plan based on five major challenges: ▪ deployment of Carrefour's Quality Lines (CQL): the Group is building its range of CQL products, which are selected and traceable back to the boat and/or farm community; CQL sourcing channels enable more demanding specifications to be developed in partnership with suppliers; ▪ suspended sourcing of sensitive species: for several years, Carrefour has gradually suspended the sale of sensitive species such as wild sturgeon, scabbardfish, red seabream and skate (non-exhaustive list); ▪ less impactful fishing practices: Carrefour is in favour of applying the principle of precaution with regard to electric fishing. All Carrefour France suppliers have confirmed that they exclude the practice, for all fish sold in the fresh and frozen sections under the Carrefour brand. This means, for example, that Carrefour France sells several canned tuna items caught by alternative means such as pole fishing and fishing without the use of fish aggregating devices. In addition, "coastal products" campaign has been introduced to help promote small-scale fishing. Products from small-scale coastal fishing are indicated as such on in stores, based on compliance with specific technical criteria: ▪ more responsible aquaculture practices: in this regard, Carrefour prohibits the use of ingredients from illegal, unreported or unregulated fishing sources in all its Carrefour-branded products; prohibits the GMOs in its CQL products; reduces (or even ends) the use of antibiotics in its CQL products; and is actively working on the feed given to farmed fish; ▪ Carrefour conducts compliance audits of its direct suppliers and expects them to require the same level of compliance from their own suppliers. These audits are carried out in accordance with strict standards (i.e., ICS, BSCI and SA 8000). If they fail to meet these standards, supplier countries risk being carded, which means their fish could be banned from the EU market. To combat illegal practices, Carrefour prohibits the use of fishing vessels from countries that have received a yellow or red card from the European Union.	**Sustainable fishing:** Percentage of controlled and national-brand products from suppliers engaged in sustainable practices[3]: **2023:** 57.1% **2022:** 34.5% **Change:** +22.6 pts Percentage of sales of controlled fishery and aquaculture products produced using sustainable practices[4]: **2023:** 60.9% **2022:** 49.5% **Change:** +11.4%

RISK	PREVENTION AND MITIGATION MEASURES IN PLACE	RESULT[1]
Waste and poor waste management	Carrefour generates a significant volume of waste in its stores, logistics centres and throughout its supply chain. Similarly, food waste is a concern that spans the entire value chain (production, warehouses, stores and consumers). **Managing store waste.** Carrefour is targeting minimum waste production and the recovery of 100% of store waste by 2025. To reach this goal, in-depth work is being carried out with the store teams to identify and instil best practices, and to analyse and resolve shortcomings. Carrefour is also working with waste management service providers to develop and improve recovery and reuse processes for each type of material. **Reducing the impact of packaging.** To reduce the impact of packaging, Carrefour is implementing an action plan with the following areas of focus: ■ eliminating and reducing the use of packaging at source; ■ developing reusability solutions and transforming the customer experience, with bulk sales and packaging deposits; ■ improving packaging recyclability in accordance with national recycling capabilities (e.g., the availability of sorting processes) and developing substitutes for hard-to-recycle plastics.	Percentage reduction in food waste from stores (vs. 2016)[5]: **2023:** -35.7% **2022:** -39.9% **Change:** +4.2 pts Number of meal equivalents of unsold products donated to food aid associations (*in millions of meals*): **2023**: 48.7 **2022**: 45.7 **Change:** +3 Number of baskets sold with TGTG[6]: **2023**: 3,904 **2022**: 3,437 **Change:** 13.6% Proportion of hypermarket and supermarket waste recovered: **2023**: 69.8% **2022**: 74.5% **Change:** -4.7% Cumulative reduction of packaging since 2017 (in tonnes): **2023**: 20,738 **2022**: 16,390 **Change:** +26.5% Number of stores offering the Loop service[7]: **2023**: 130 **2022**: 65 **Change:** +100% Percentage of Carrefour-brand packaging that is reusable, recyclable or compostable[8]: **2023**: 69% **2022**: 57% **Change:** +12 pts Number of suppliers committed to the Food Transition Pact: **2023**: 306 **2022**: 204 Change: 50%

RISK	PREVENTION AND MITIGATION MEASURES IN PLACE	RESULT[1]
Deforestation and contribution to land-use change	In 2022, the Group launched the SBTN (Science Based Target for Nature) Corporate Engagement Programme, which enabled it to perform initial mapping of its biodiversity impacts and dependencies, based on its activities. This mapping helped us hone in on certain commodities that have a greater impact on biodiversity than others. It should eventually serve as a basis for drafting an action plan based on science-based targets. Maps of high-risk raw materials are created and regularly updated. The Group has implemented specific raw material purchasing rules in concertation with the stakeholders (i.e., experts, NGOs, customers, suppliers, public authorities, etc.). Known as "CSR and Food Transition Procurement Rules", they are regularly updated. Carrefour takes action in its supply chains by setting requirements for its direct suppliers and being involved at different levels in stakeholder coalitions (e.g.: Consumer Goods Forum, SoS Cerrado Manifesto, French Soy Manifesto). In 2023, specific action plans were put in place in connection with the new forestry plan (notably a programme for exiting areas at risk of deforestation as defined in concert with stakeholders and deforestation experts in Brazil). The Group has made it a priority to address the following risks: **Deforestation for conversion of land for agriculture:** Carrefour has defined specific purchasing rules for sensitive raw materials in its supply chain. ■ **Palm oil:** Carrefour has implemented a gradual action plan with its Carrefour-brand product suppliers, based on RSPO certification, to protect this supply chain in all of the Group's integrated countries. The first step involved requiring its suppliers to provide certified mass balance raw materials in 2020. Standards are now being tightened to the stricter segregated certification, which ensures full traceability from plantation to consumer by 2022. In addition, Carrefour substitutes palm oil in its own-brand products when doing so improves the nutritional value of a product or to meet consumer expectations. ■ **Wood and paper:** Carrefour has implemented a supply inspection system based on a risk analysis of production countries. Ten product categories that use the largest volumes of wood and paper are defined as priority. In these ten categories, different certification or guarantees are required depending on product origin (recycled, FSC[12] certification, PEFC[13] certification or specific audit). ■ **Soy:** In order to reduce the impact of soy on forests and ecosystems, Carrefour acts on several fronts to heighten market standards, i.e., by focusing on its own supplies or working together with supply chain intermediaries and key stakeholders. In its own sourcing, the Group implements the following solutions: use of non-GMO soy whose geographical origin is traceable and not affected by deforestation; development of local, non-GMO soy channels; use of Proterra certification; development of vegetarian/vegan ranges through Carrefour Veggie products offering an alternative to animal proteins.	**Palm oil:** Percentage of palm oil used in Carrefour-branded products that is fully traced (RSPO Segregated certified)[9]: **2023**: 95.3% **2022**: 83.7% **Change**: +11.6 pts Percentage of palm oil used in Carrefour-branded products certified RSPO or equivalent[10]: **2023**: 100% **2022**: 99.9% **Change**: +0.1 pt **Wood and paper:** Percentage of Carrefour own-brand products in ten priority categories sourced from sustainable forests[11] **2023**: 96.3% **2022**: 90.7% **Change**: +5.6 pts **Soy:** Percentage of Carrefour Quality Lines and other key Carrefour-branded products that use zero-deforestation soy as animal feed[14]: **2023**: 21.7% **2022**: 19.7% **Change**: +2.1 pts

RISK	PREVENTION AND MITIGATION MEASURES IN PLACE	RESULT[1]
	■ **Beef in Brazil:** In 2022, Carrefour Brazil set up a Forest Committee and pledged to invest 10 million euros to combat deforestation. The Forest Committee brings together a variety of experts on combating deforestation in Brazil, whose role is to support Carrefour in defining its anti-deforestation strategy, by identifying priorities for action and assessing the Group's progress in meeting its objectives. The committee is also helping to define funding priorities for the investment in fighting against deforestation. ■ *Geo-monitoring of Carrefour Brazil and Atacadão suppliers:* To assess the compliance of ranches directly supplying its supplier slaughterhouses in Brazil, Carrefour is deploying its geo-monitoring system to ensure that five priority procurement criteria are met. Supplies must not be sourced from production areas that are affected by deforestation, under environmental embargo, in conservation units, on land belonging to indigenous populations, or using illegal labour. In practical terms, the Group's purchasing data are cross-checked in the tool against official deforestation maps (in Amazonia and Cerrado), protected areas and indigenous lands. Carrefour involves its suppliers in its anti-deforestation policy and ensures the compliance of products sold in stores. Carrefour works with its suppliers to identify any cases of cattle rancher non-compliance and can take appropriate business decisions as needed. In addition to geo-monitoring, Carrefour conducts investigations when alerts are received by stakeholders. In the event of non-compliance by a supplier, Carrefour has defined a series of measures that include suspending supplies that do not offer the requisite guarantees and transparency. As part of a continuous improvement process, merchandise flows are being examined to assess the Group's banning procedures.	**Brazilian beef:** Percentage of Brazilian beef suppliers that are geo-monitored (system used to monitor farms that supply slaughterhouses directly) and comply with the Group's forest policy or are committed to an ambitious anti-deforestation policy: **2023**: 100% **2022**: 89.7% **Change**: +10.3 pts

RISK	PREVENTION AND MITIGATION MEASURES IN PLACE	RESULT[1]
	Securing the engagement of large meat producers and reducing risks from indirect ranches: To underpin its policy, Carrefour Brazil has distributed a termo de compromisso (engagement letter) among its Brazilian beef suppliers inviting them to undertake a common commitment. This document describes the rules that suppliers should observe in their direct and indirect supply chain, the verification process and the consequences of non-compliance. Suppliers are asked individually to sign the agreement. In addition to this individual approach, Carrefour is taking collective action vis-à-vis beef producers, for example by supporting the establishment of a Beef Working Group as part of the Consumer Goods Forum. One of the objectives of this coalition is to leverage concrete, collective action to monitor indirect suppliers. Carrefour's aim is to assess the capacity of slaughterhouses to implement solutions for controlling indirect suppliers. Carrefour Brazil is also working with the National Wildlife Federation to initiate traceability with two of its suppliers in the priority states of Mato Grosso and Pará. This is the only existing pilot project concerning indirect supplier traceability. ■ **Cocoa**: Carrefour supports all its suppliers in meeting its objectives with a Cocoa Commitment Charter describing its standards, in particular with regards to deforestation prevention, traceability and transparency. The Group is also a founding partner of the CEMOI Transparence Cacao programme, which is helping to fight against deforestation while improving the living and working conditions of cocoa farmers. ■ **Textiles**: The Group has set several targets to ensure that the textile fabrics and fibres used in its own-brand products (e.g., lyocell, viscose) do not contribute to deforestation or harm animal welfare. In addition, in 2019, the Group joined the Fashion Pact, whose objectives, based on scientific criteria, focus on three areas of action: halting global warming, restoring ecosystems and protecting key species, and protecting the oceans. To help create international standards against deforestation and instil best practices, Carrefour has taken on the co-leadership of the Consumer Goods Forum Forest Positive Coalition for Action and is a member of the working groups on palm oil, beef and soy. This platform aims to collectively mobilise suppliers to drive systemic change across supply chains.	**Cocoa:** Percentage of Carrefour-branded chocolate bars that comply with our Sustainable Cocoa Charter[15]: **2023**: 31.6% **2022**: 31.4% **Change**: +0.3 pts Traceability and assessment of traders: Percentage of key traders assessed and making progress towards complying with our policy: **2023**: 100% **2022**: 100% **Change**: - Percentage of key traders making progress towards complying with our policy: **2023**: 33% **2022**: Assessed based on **2022** data **Textiles:** Percentage of natural raw materials for textiles that comply with our TEX sustainability policy[16]: **2023**: 52.3% **2022**: 46.4% **Change**: +5.8 pts Percentage of TEX products made with organic cotton: **2023**: 20.6% **2022**: 21% **Change**: -0.4 pts Percentage of wood-based fibres in our TEX products that are deforestation-free: **2023**: 96.3% **2022**: 70.9% **Change**: +25.4 pts Percentage of wool in our TEX products that guarantees sheep welfare and protects soils and ecosystems: **2023**: 58.7% **2022**: 25.1% **Change**: +33.6 pts Percentage of cashmere used in our TEX products that guarantees goat welfare and comes from land that incorporates strategies to reduce desertification: **2023**: 100% **2022**: 100% **Change**: 0

RISK	PREVENTION AND MITIGATION MEASURES IN PLACE	RESULT[1]
Microplastic emissions	Plastics are used in many aspects of the business operations of both the Group and its suppliers, for example, in products, packaging (cups, trays, films), shipping packaging and sales displays. For this reason, Carrefour has conducted a macro-analysis of the impacts of plastic directly related to Carrefour's operations in key stages of the supply chain, taking into account the treatment capacity in countries where the Group operates. The analysis showed that 90% of the plastic manufactured and then used for the Group's activities was associated with the products sold, and that 80% of this plastic came from packaging. This is why Carrefour has drawn up a specific action plan for plastic packaging which focuses on the following areas: ■ **reducing plastic packaging in every store:** In addition, the Group has analysed irritants encountered during the shopper experience in France and Spain. Based on the findings, priorities have been set to eliminate the use of plastics, such as organic product packaging, plastic fruit and vegetable wrapping, bakery and pastry packaging, and individual packaging; ■ **encouraging reuse:** the Group has been a pioneer in deploying reusable packaging solutions, with several dozen stores already equipped in every format; ■ **facilitating collection and recycling:** ecodesign initiatives are being rolled out in all countries to make packaging more easily recyclable; ■ incorporating more recycled materials: ■ **improving the collection of packaging data in collaboration with suppliers:** in 2022, the system developed and implemented in France for reporting data on the recyclability of own-brand packaging was extended to Belgium, Romania and Brazil. In addition, a diagnosis was performed on a sample portion of the packaging used for Carrefour-branded products marketed in France, which represented 45% of own-brand sales in 2021. It estimated that by weight, plastic accounted for 40% of the sampled packaging, with glass, cellulose and metal making up the rest. The resins used included mainly PET, PE/PEBD/HDPE and PP, PS, laminates and PVC.	Reduction in packaging since 2017 (in tonnes)[17]: **2023**: 20,738 **2022**: 16,930 **Change**: +26.5% Plastic packaging avoided since 2017 (in tonnes) **2023**: 19,021 **2022**: 15,140 **Change**: +25.6% Percentage of Carrefour-branded packaging made with recycled plastic[18]: **2023**: 8.6% **2022**: 7.7% **Change**: +0.9 pts
Consumption of energy resources	**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 France, Carrefour has joined the signatories of the EcoWatt Charter, which offers actionable ways to lower electricity use during peak demand. **Use of renewable energy**: In 2023, the Group stepped up the production of photovoltaic energy, with priority given to self-consumption and injection into the grid. In 2023, 137 stores were equipped with photovoltaic systems. Carrefour is also strengthening its supply of electricity from renewable sources with the signing of four direct electricity purchase contracts in 2023. These agreements with Voltalia and VSB énergies nouvelles, which run for 15 years or more, provide long-term visibility on the electricity purchase price and enable the company to obtain guarantees of origin for its production methods. They relate to solar and wind power assets located in Brittany, Burgundy-Franche-Comté, Auvergne-Rhône-Alpes and Occitanie. From 2024, they will produce 104,000 MWh/year, equivalent to the power consumption of 29 hypermarkets.	Number of hypermarkets equipped with photovoltaic systems: **2023**: 137 **2022**: 18 **Change**: +660%

RISK	PREVENTION AND MITIGATION MEASURES IN PLACE	RESULT[1]
Emissions of pollutants impacting living organisms and food resources	The production of certain raw materials can have consequences for biodiversity, and the globalisation of supply chains makes it difficult to monitor and trace them. For this reason, Carrefour is offering more sustainable raw materials, in particular by developing organic farming and its Carrefour Quality Lines. **Developing the organic offering**: The Group offers its organic farming suppliers multi-year contracts that commit to volumes or 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 particular in France and Romania. In 2023, Carrefour partnered with 4,997 organic producers. **Developing agroecology via Carrefour Quality Lines**: Carrefour has a unique tool for developing agroecology: the Carrefour Quality Lines. 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. These chains guarantee a product that is "fed on GMO-free feed", or "fed without antibiotics" or "grown without chemical treatment", etc. In 2023, 28.4% of Carrefour Quality Lines were agroecological (compared with 6.5% in 2022). Through its Carrefour Quality Lines, the Group sets up multi-year partnerships with a view to guaranteeing greater visibility and more opportunities for producers. Carrefour thus provides volume guarantees to take account of production requirements and limitations and/or price guarantees to ensure fair compensation for the producer and to finance the constraints of the Carrefour specifications. In 2023, 16,872 producers around the world partnered with Carrefour Quality Lines. **Impact of Carrefour sites on biodiversity**: BREEAM Construction certification requires that buildings be designed and built with respect for the environment and occupant health and safety. The shopping mall renovation programme undertaken by the Carrefour group with the real-estate companies Carmila and Carrefour Property specifies the use of environmentally sound solutions. In addition, landscaping improvements are incorporated into renovated sites through planting local species. In addition, service stations managed by Carrefour are equipped with facilities designed to prevent environmental risks and odours. The Group constantly monitors the regulatory compliance of its facilities and closely tracks fuel inputs and outputs to control the risk of leakage. In 2020, a Biodiversity Charter was drawn up for all operational sites. It proposes solutions for developing biodiversity at shopping centres by leveraging four focus areas: ▪ 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.	Number of suppliers committed to the Food Transition Pact: **2023**: 306 **2022**: 204 **Change**: +50% Number of organic farming producers (supported through sector-based contractual arrangements)[19]: **2023**: 4,997 **2022**: 3,637 **Change**: 37.4% Shopping malls certified to BREEAM In-Use standards (as a % of asset value): **2023**: 95.8% **2022**: 94% **Change**: +1.8 pts
Water consumption	In-store water consumption is monitored and optimised in order to limit the impact of activities on water resources. 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.	Amount of water consumed (in millions of cu.m.)[20]: **2023**: 8.2 **2022**: 12.2 **Change**: -32%

RISK	PREVENTION AND MITIGATION MEASURES IN PLACE	RESULT[1]
Human rights		
Forced labour **Illegal work** **Inadequate working conditions**	Carrefour recognises that promoting human rights is fundamental to conducting its business responsibly and over the long term. The purchasing rules provide a framework for the social and environmental compliance of purchases of controlled products. These products meet specifications defined by Carrefour and are subject to specific quality control. The purchasing rules provide a framework for the social and environmental compliance of purchases of controlled products. These rules stipulate: ■ that suppliers must sign a Commitment Charter (described below); ■ the compliance process and rules for social audits of sectors at-risk (see Section 2.2.4 Risk assessment measures); ■ that the Group's purchasing entities must appoint a person in charge of social and environmental compliance; ■ an action plan to bring production phases and sensitive raw materials into compliance with specific purchasing rules. The commitment of suppliers of Carrefour-brand products to human rights is reflected first and foremost through their signature of a Supplier Commitment Charter, which is an integral part of all purchasing contracts in all Group host countries. This charter includes the provision of an ethics hotline, available 24/7 in all of the Group's languages, via the internet or by phone. The charter is designed to ensure that Carrefour continues to uphold and comply with human rights: It reiterates Carrefour's Ethics Principles, which provide a set of guidelines for fair and transparent business practices, and shares these principles of action with suppliers. It also requires a commitment from suppliers to comply with the Group's requirements on human rights, ethics and the environment set out in a total of nine chapters (prohibition of all forms of forced, bonded, debt-bonded or penal labour, prohibition of child labour, freedom of association and effective recognition of the right to collective bargaining, prohibition of all forms of discrimination, harassment and violence, workers' health and safety, decent wages, benefits and conditions of employment, ethical working hours, and principles of ethics). The charter prohibits clandestine or undeclared subcontracting, and has a cascade effect by asking suppliers to demand the same social compliance standards of their own suppliers. Based on reciprocity, the charter does not allow Carrefour to impose any conditions on suppliers that would prevent them from complying with the charter. Moreover, Carrefour undertakes to support its suppliers as much as possible in implementing these social principles, specifically by deploying corrective measures in the event of non-compliance.	Percentage of audits with alerts (potential production plants) **2023**: 19% **2022**: 17% **Change**: +2 pts Of which alerts related to working hours: **2023**: 23% **2022**: 28% **Change**: -5 pts Number of social audits (active and potential production plants): **2023**: 1,161 **2022**: 1,418 **Change**: -18.1% Number of plants screened with Sentinel: **2023**: 4,000 **2022**: 3,873 **Change**: +3.3% Number of units screened using the Sentinel tool: **2023**: 78 **2022**: 105 **Change**: -25.7%

RISK	PREVENTION AND MITIGATION MEASURES IN PLACE	RESULT[1]
	Special cases: **Environmental and human rights violations caused by cotton production:** cotton from Uzbekistan and Turkmenistan is banned by Group procedures. Carrefour created an organic cotton production line in the Madhya Pradesh region combining quality organic cotton, decent pay for producers and traceability starting from the seed. The Group aims to increase the proportion of organic cotton in its total supply, while raising the standards for conventional cotton. Carrefour also applies blockchain technology to certain TEX BIO textile products. Using a QR code, consumers can access information that tracks the product pathway from the organic cotton farm to the point of sale. **Human rights violations caused by textile production:** local projects in high-risk regions (own-brand suppliers) include: ■ incorporating environmental requirements into the Good Factory Standard; ■ project with the Institute of Public and Environmental Affairs (IPE) to assess the environmental performance of production plants in China; ■ Clean Water Project in Asia to prevent or counteract industrial pollution risks. Monthly screening of the supply chain is carried out using the Sentinel tool via social media/internet, etc. ■ Action plans for alerts in the Xinjiang region: The Carrefour group does not source any products directly in the Xinjiang region. Carrefour nevertheless monitors its sourcing to ensure compliant working conditions for all materials that may be produced in this region. In view of the risk of forced labour in the cotton supply chain, Carrefour requires all of its suppliers to be transparent about their supply chain and to be able to trace cotton back to its origin. Any dubious reports are investigated by asking the supplier for: • supporting documents for the transaction, • contracts, • certificates of origin to prove that the origin of the cotton is not prohibited.	

RISK	PREVENTION AND MITIGATION MEASURES IN PLACE	RESULT[1]
	Mapping of the Group's supply chain and alerts received from various channels have led to the identification of eight additional sources with suspicious links to Xinjiang Province. Alternatives have been found to replace them. In 2022, a third party was hired to carry out "on-site" checks of these suppliers' warehouses and spinning mills. These checks continued until the end of December 2022 to confirm the suppliers' declarations and ensure follow-up. Carrefour has launched spinning mill inspections with its local teams, starting with key integrated suppliers. ■ Action plan relating to alerts in the Tamil Nadu region: collective work began in 2021 for this sourcing area in: • classifying the Tamil Nadu region as "high-risk" by local Global Sourcing teams in terms of social compliance and factory/importer management; • mapping the spinning mills of the area in the "Sustainability Map" platform of the Initiative for Compliance and Sustainability (ICS) and evaluating their performance via an audit and a specific questionnaire, with priority given to key suppliers; • implementation of a Worker Voice ethics hotline to ensure a whistleblowing system at the local level. In 2022, the Group rolled out an additional whistleblowing channel to give workers an opportunity to make reports anonymously. The new whistleblowing line was initially made available in the mills of our main suppliers and it may be extended to tier 1 suppliers if necessary. This practice, which goes beyond the scope of a social audit, is intended to identify risks upstream and to implement systematic corrective measures. For all production facilities in the Tamil Nadu region, issues related to social and environmental responsibility should be managed by local Carrefour Global Sourcing teams. It should be noted that spinning mills are particularly concerned by the problem and that an Indian supplier whose garment factory is located outside Tamil Nadu but who sources its yarn or material in Tamil Nadu must also be monitored by Carrefour's local Global Sourcing teams. **Human rights violations associated with fruit and vegetable production:** Bananas: bananas are the most popular fruit sold in stores, but they are sensitive to the effects of climate change and the subject of widespread reports on human rights abuses. As the leader in organic, fair-trade bananas in France, Carrefour works with its suppliers to develop this type of banana production in response to these challenges. The Group also launched two new French banana lines, one organic and one agroecological, featuring blockchain technology. These lines create direct and indirect jobs in the French Antilles and provide consumers with transparent information about the production process. **Human rights violations in the supply of seafood products:** in order to combat illegal practices and ensure better traceability, which helps prevent the risk of human rights violations, Carrefour has implemented a series of measures: ■ prohibit the use of vessels blacklisted for Illegal, Unreported, Unregulated (IUU) fishing, suspected of illegal activities, or flying the flag of a country subject to an EU yellow card; ■ require the use of boats registered and authorised by regional fisheries management organisations (RFMOs); ■ require boats to have an IMO or UVI registration number with the relevant authorities; ■ require membership of the ISSF PVR programme, where possible; ■ prohibit transshipment, unless managed in accordance with ISSF criteria; ■ demand full traceability back to the fishing boat. Carrefour ensures extensive traceability right back to the fishing boat in the specifications of its European purchasing centre. The full list of boats authorised to supply the Group is provided in each suppliers' specifications. The Group checks that the boats are registered with the ISSF PVR programme (ProActive Vessel Register of the International Seafood Sustainability Foundation) and that they are not on the blacklists of IUU fishing, etc.), suspected of illegal activity or flagged to an EU yellow card country. To combat slavery, the Group prohibits transshipment. These criteria require boats to disembark regularly at the port for registration/port control.	

RISK	PREVENTION AND MITIGATION MEASURES IN PLACE	RESULT[1]
Failure to pay decent wages	In this regard, Carrefour is committed to constantly improving working conditions and protecting human rights and the environment among its suppliers, as set out in its Commitment Charter on human rights. In particular, Carrefour pledges in the charter to provide workers with satisfactory compensation to meet their basic needs and those of their family members who depend directly on them. Carrefour's Commitment Charter includes a decent wage commitment (item 6). It states that "wages and other compensation for regular working hours should cover the basic needs of workers and their families and leave them with some discretionary income" (item 6.3). In relation to decent wages, Carrefour's purchasing rules include audits on compliance with the 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 the 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" and "working hours". In 2023, the Group launched a decent wage survey among its employees across the three integrated countries.	Percentage of audits with alerts (potential production plants) **2023**: 19% **2022**: 17% **Change**: +2% Of which alerts related to compensation, working conditions and benefits: **2023**: 21% **2022**: 24% **Change**: -3 pts
Unequal treatment and discrimination	In all countries where it operates, the Group embraces equal opportunity, promotes diversity and prohibits all forms of discrimination – a policy that sets it apart from its peers. The Group is involved in practical initiatives, including Group and nationwide agreements entered into with unions, programmes developed under the aegis of international organisations, and cooperation in the field with NGOs in most Group countries. Along with the trade unions, the Group has signed an agreement regarding gender equality in the workplace across France, in a commitment to facilitating the career development of women. The Group is also committed to diversity and inclusion and has joined the signatories of the Charter of L'Autre Cercle, a non-profit that advocates for the inclusion of LGBT+ people in the workplace. The Group also created an Engagement department to execute the Group's social responsibility vision, including a Diversity and Inclusion section. The Group established a Diversity Policy which has been deployed in all the Group's integrated countries. Inclusion and diversity in Brazil: Respect for all people is one of the guiding principles of the Carrefour Brazil community. By respecting diversity and fostering peaceful coexistence, the Group endeavours to establish quality relationships with all stakeholders (employees, customers, service providers, suppliers, representatives or third parties), regardless of their differences. These principles are set out in the Code of Ethics and the Group's Diversity Policy published in 2023. To reinforce and ensure compliance with these principles, the Group has created a diversity and inclusion platform. As part of the platform, a Strategic Diversity Committee and a Steering Committee on diversity and affinity groups have been set up. These employee-led committees foster debate on policies and actions for greater inclusion and visibility of minority groups within the organisation. Four main topics are discussed during monthly meetings: race, gender, sexual orientation and disability. Specific measures have been taken to promote human diversity and inclusion: ▪ a zero tolerance policy on racism and discrimination on the basis of race and ethnicity, community of origin, social class, gender, sexual orientation, age, disability or religion, throughout the Carrefour Brazil group and its supply chain. An anti-racism clause will be included in all supplier contracts and proven failure to comply will result in termination of the contract; ▪ clear, visible and permanent implementation of a zero tolerance policy against all forms of discrimination, with training for all employees in all Carrefour units;	Percentage of women among Executive Directors (top 200)[21]: **2023**: 28.8% **2022**: 25.7% **Change**: 3.1 pts Percentage of management positions held by women[22]: **2023**: 42.6% **2022**: 42.3% **Change**: +0.3 pts Percentage of employees recognised as having a disability[23]: **2023**: 4.3% **2022**: 3.7% **Change**: +0.6 pts

RISK	PREVENTION AND MITIGATION MEASURES IN PLACE	RESULT[1]
Unequal treatment and discrimination	■ a differentiated skills training program every year for 100 Black men and women to accelerate their careers within Carrefour and speed their access to management positions. Annual training and career development targets will be set for Black employees within the different Carrefour units, including specific targets for management positions. Specific measures will also be put in place for hiring Black health and psychology professionals to support the development of Black trainees, apprentices and people in leadership positions; ■ support for educational institutions throughout the country for the vocational training of young Black men and women. Carrefour Brazil has invested in three impact areas – education, jobs and entrepreneurship – for the Black population, especially women and young people; ■ recruitment of approximately 20,000 new employees per year on a gross basis, respecting the racial representation of the population of each state in the country, but with a minimum percentage of 50% Black people among new hires. Carrefour will also support racial literacy to ensure that the Brazilian population census is correctly implemented; ■ introduction of a digital platform for reporting, with guaranteed anonymity, domestic violence or racist acts against women on the website and Carrefour apps for subsequent referral to the competent entities. To best achieve all these objectives, Carrefour Brazil has established strong partnerships and made trusted contacts. In particular, Carrefour Brazil has taken part in job fairs conducted by the Zumbi dos Palmares University, which aim to attract Black professionals, both women and men, to the job market. The Group also has partnerships with institutions that help Black applicants find jobs, such as Empregue Afro. Internally, the recruitment teams frequently organise internship programme workshops focused on removing barriers that prevent the hiring of certain categories of people.	

RISK	PREVENTION AND MITIGATION MEASURES IN PLACE	RESULT[1]
Health and safety		
Occupational health and safety risks	All of the Carrefour group's host countries have an action plan on health, safety and quality of life in the workplace. Accordingly, each country has undertaken to implement and manage an action plan for health and safety at work, aimed above all at preventing workplace accidents and occupational illnesses. At Carrefour: **Workplace accidents and occupational illnesses:** compliance with existing regulations, anticipation of changes in regulatory requirements, implementation of strict procedures, preventive training on subjects such as in-store safety, posture and movements, employee awareness campaigns, etc. In France, a dedicated body for workplace health and safety has existed since 2012 and a Health and Quality of Life in the workplace agreement has been signed. A Workplace Health and Safety management training programme has been set up for site managers, the Es@nté tool promotes the occupational risk prevention approach and facilitates administrative management of workplace accidents and occupational illnesses, and the Wittyfit tool focuses on psychosocial risk prevention. **Prevention of musculoskeletal disorders:** massive investment in handling assistance equipment (automatic pallet wrapping machines, stocking carts, etc.), in-depth studies on workstation ergonomics, alterations to furniture, and gym sessions to prepare employees before they start work. **Prevention of stress and psychosocial risks:** stress management training and free hotlines and remote psychological support, etc. In France, employees have had toll-free access to a support line since 2015. Within the value chain: **Social audit for plants located in high-risk or at-risk countries:** this audit is compliant with ICS or BSCI standards. The audit must be performed by an external service provider in accordance with one of the above-mentioned standards, with a required rating of A or B grade (C, D and E ratings do not qualify). See Section 2.2.3 Assessment measures. Special requirements for Bangladesh: suppliers must be part of the Accord group to be listed. The Accord group brings together brands and organises the additional safety inspections that are mandatory for any supplier seeking to be listed.	Workplace accident frequency rate (number of accidents/millions of hours worked)[24]: **2023**: 31.4% **2022**: 25.3% **Change**: +6.1 pts Workplace accident severity rate (number of days absent due to workplace accident/ 1,000 work hours)[25]: **2023**: 2.1% **2022**: 1% **Change**: +1.1 pt Percentage of audits with alerts (potential production plants): **2023**: 19% **2022**: 17% **Change**: +2 pts Of which alerts related to health and safety: **2023**: 41% **2022**: 30% **Change**: +11% Number of social audits (active and potential production plants): **2023**: 1,161 **2022**: 1,418 **Change**: -18.1%

RISK	PREVENTION AND MITIGATION MEASURES IN PLACE	RESULT[1]
Health and safety		
Consumer health and safety violations due to quality, compliance or product safety failure	Carrefour implements a series of requirements and procedures to guarantee the quality and compliance of the products it sells. Carrefour's control plans also include consumer focus groups and warehouse and in-store checks of product freshness and origin. **Crisis management, alert and product recall:** For example, to make sure that non-compliant products cannot reach the end consumer, online information platforms have been developed to help the relevant supplier provide the data required for product recall. The platforms are also used to identify and warn the warehouses and stores likely to have received batches of non-compliant products, for more effective recall. As a further precaution, the EAN barcode of recalled products is also 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. The system is available online at all times and access is free for suppliers. In the event of an alert, Carrefour immediately withdraws the products concerned. Verification of effective withdrawal proceeds within 24 hours, and feedback on the product quantities concerned follows within three working days of the withdrawal order. In 2023, this system will be deployed in five of the Group's integrated countries. **Control plans for controlled products:** Controlled products include products marketed under Carrefour group brands as well as products imported by Carrefour from third-party countries which comply with specifications defined by Carrefour. Certified products are analysed for quality, performance and compliance. Carrefour has commissioned an independent laboratory to conduct analyses and, in some cases, additional product tests to ensure compliance. To ensure that products meet consumer expectations, tests may also be conducted with consumer panels or by experts. Monitoring commissioned by Carrefour complements the supplier's own monitoring plan, with the primary aim of regularly verifying the compliance of own-brand products with applicable laws and specific provisions integrated into the CGF of controlled products. Analysis takes many factors into account, including the identification of dangers and their characteristics, exposure assessment, risk characterisation, control measures, degree of certainty, population sensitivity and probability of occurrence. **Quality procedures and policies:** Carrefour works 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. **Geo-monitoring and regional surveillance:** To ensure that its beef supplies distributed in Brazil do not contribute to deforestation, Carrefour makes use of a geo-monitoring tool. Satellite surveillance of breeding pastures makes it possible to reduce the risk of destruction to the Amazon rain forest and biodiversity, and also prevent the use of land belonging to indigenous tribes. Monitoring an entire host region in this way helps to control the sourcing of beef sold in Brazil. Carrefour is studying the use of these tools for other types of commodities. Where certification results in an a posteriori guarantee, geo-monitoring verifies real-time compliance with the specifications defined by Carrefour.	

(1) The coverage rates are identical to the coverage rates given above in the numerous tables provided for that purpose.

(2) Scope: 95% of 2023 consolidated net sales. Non-comparable BUs (BR, ES organic, IT organic excl. in 2023; BR incl., excluding partners from other approaches in 2022).

(3) Responsible fishing: fishing of abundant species with techniques that have the lowest impact on ecosystems while supporting local fishing. Scope: 87% of 2023 consolidated net sales. Non-comparable BUs (ES, BR AT, BR SAMS excl. in 2023; BR excl. in 2022).

(4) Scope: 62% of 2023 consolidated net sales. Non-comparable BUs (FR, ES, AR excl. in 2023; BR C excl. in 2022).

(5) Scope: 72% of 2023 consolidated net sales. Non-comparable BUs (BE, BR AT, BR SAMS excl. in 2023; ES (SM, CO) excl. in 2022). The scope of the 2016 baseline excludes BE, BR AT and BR SAMS. Warehouses are included for RO. The Grupo BIG stores were consolidated in 2023.

(6) Scope: 97% of 2023 consolidated net sales. Non-comparable BUs (IT (SM, CO, CC), ES (CO) excl. in 2023; BE (HM, SM), IT (CO, CC), ES (CO), RO (CO), BRC (CO) excl. in 2022).

(7) In France.

(8) Scope: 100% of 2023 consolidated net sales. Non-comparable BUs (ES, IT, PL and AR excl. in 2022).

(9) Scope: 100% of 2023 consolidated net sales. Comparable BUs. Palm oil derivatives used in household, perfume and hygiene products are not included in this indicator due to a lack of traceability. Segregated RSPO certification guarantees that products made from RSPO-certified oil palm come exclusively from RSPO-certified plantations, but without it being possible to identify those plantations. Mass Balance certification allows certified claims to be transferred from an RSPO product to a conventionally grown product. This can be done either physically, by blending the two products, or administratively.

(10) Scope: 100% of 2023 consolidated net sales. Comparable BUs. The certifications recognised here are POIG, RSPO IP, RSPO Segregated and RSPO Mass Balance. Palm oil derivatives used in household, perfume and hygiene products are not included in this indicator due to a lack of traceability.

(11) Scope: 100% of 2023 consolidated net sales. Comparable BUs.

(12) Forest Stewardship Council.

(13) Programme for the Endorsement of Forest Certification.

(14) Scope: 95% of 2023 consolidated net sales. Non-comparable BUs (BR C excl. in 2023; AR, BR C, IT excl. in 2022).

(15) Cocoa (paste) is considered to be sustainable and traceable, guaranteeing zero deforestation, fair compensation for producers and the absence of child labour. Scope: BE, ES, FR, IT. Comparable BUs. 100% of 2023 consolidated net sales.

(16) Textile sector with ambitious targets for the sustainability of materials, reduction of environmental impacts and supply chain transparency.

(17) Composting not monitored to date. Scope: 100% of 2023 consolidated gross sales. Non-comparable BUs (ES, IT, PL and AR excl. in 2022).

(18) Scope: 96% of 2023 consolidated gross sales. Non-comparable BUs (BE excl. in 2023; BE, ES, IT, PL, AR excl. in 2022).

(19) Scope: 86% of 2023 consolidated net sales. Non-comparable BUs (ES, IT, BE, BR excl. in 2023).

(20) Scope: 68% of 2023 consolidated net sales. Non-comparable BUs (BR excl. in 2023).

(21) Scope: 100% of 2023 consolidated net sales.

(22) Scope: 100% of 2023 consolidated net sales.

(23) Scope: 100% of 2023 consolidated net sales.

(24) Scope: 89.6% of 2023 consolidated net sales. Excluding BRAT + BR.

(25) Scope: 89.6% of 2023 consolidated net sales. Excluding BRAT + BR.

2.2.6 WHISTLEBLOWING FACILITIES

2.2.6.1 Description of whistleblowing facilities

In 2023, the Group strengthened its policies and prioritised actions to be taken based on reported alerts. Carrefour's partners and employees are all permanent conduits for raising the alert when necessary. Reported alerts are divided into the following categories:

- trade union dialogue;
- the ethics hotline, accessible to all employees and partners;
- stakeholder dialogue and publications mentioning Carrefour;
- alerts raised within the Food Transition Committee.

Alerts are analysed by various Group bodies depending on their origin and processed by the relevant departments. Several internally defined criteria are applied to prioritise alerts and incident risks. Investigations are then conducted based on the level of risk.

Alerts or incidents identified via the trade union dialogue. A dispute management procedure is incorporated in the UNI Global Union agreement. The procedure should be followed if a dispute between a Carrefour entity and UNI Global Union relating to the interpretation or application of the agreement cannot be settled through dialogue. If breaches are confirmed, UNI Global Union and its affiliated trade unions ensure that the situation is promptly remedied and that appropriate action is taken as required by the situation.

The ethics hotline, accessible to all employees and partners. In line with France's Duty of Care law, Carrefour has deployed whistleblowing and warning systems for reporting ethics risks or suspected violations, designed in cooperation with its representative trade unions. In this way, any Group employee, supplier or service provider can confidentially report situations or behaviour that contravene Carrefour's ethical principles. The whistleblowing system is therefore one of the tools promoted under the agreement between Carrefour and UNI Global Union.

Confidentiality is assured at all stages of the process and Carrefour has pledged not to take any disciplinary action against an employee who reports an ethics issue in good faith. The system helps Carrefour to prevent serious breaches of its Principles of Ethics and to take the necessary measures when a breach does take place.

All alerts identified by the Compliance departments are processed and investigated, provided that a sufficient amount of information is available. The country Ethics and Compliance managers are responsible for relaying alerts to the appropriate departments, depending on their nature. For example, alerts related to fraud or theft are handled by the Security departments, those related to corruption are processed by the Compliance departments and alerts related to employee health and safety or discrimination are handled by Human Resources. For serious alerts, the handling of the alert is overseen by the Country Ethics Committees.

http://ethics.carrefour.com/

Country	Phone Step 1	Phone Step 2
Argentina	0 800 444 4744	
Belgium	0 800 100 10	855 409 0182
Brazil	0 800 892 0708	
China	400 601 365 2	
France	0 800 90 85 62	
Italy	800 78 32 10	
Poland	00 800 151 0163	
Romania	800 400 836	
Spain	900 814 793	
Cambodia	1 800 209 354	
Hong Kong	800 96 1 764	
India	000 117	855 409 0182
Turkey	0 811 288 0001	855 409 0182
Vietnam	1 228 0288 or 1 201 0288	855 409 0182

Governance of the ethics hotline:

The ethics hotline is managed by the Carrefour group's Ethics and Compliance department, which collects and processes alerts, either directly or through the Country/Business Line Ethics and Compliance departments. All alerts are transferred to the Group Ethics and Compliance department and the Group Security department.

The Country/Business Line or Group Ethics and Compliance Committee: where competent, this committee oversees the handling of whistleblowing within its area of responsibility. It ensures that these alerts are handled properly and comprehensively.

A designated officer is assigned to each alert. The officer's role is to:

- deal with reports received through the Carrefour ethics hotline;
- coordinate the actions of the people likely to be involved in handling the report, and where appropriate ensure that there is no conflict of interest;
- ensure the information gathered remains confidential throughout the report processing;
- liaise, where necessary, with the relevant Ethics & Compliance Committee or, in the case of human resources issues (harassment, discrimination, health & safety, etc.), with the relevant internal bodies;
- be the contact person for the person reporting the incident.

The number of people responsible for handling alerts is limited and they are subject to a strict confidentiality requirement. They have been trained to handle reports and conduct internal investigations, and have been made aware of the requirements for protecting personal data.

Stakeholder dialogue, publications mentioning the Carrefour group and alerts handled by the Food Transition Committee. The Group has set up a task force to identify and deal with the different alerts related to CSR and duty of care. The task force is in charge of investigating reported alerts and making sure that the most appropriate corrective action plans are implemented if a breach is confirmed.

The alerts are identified by the task force either through stakeholder dialogue or through monitoring of publications mentioning the Carrefour group (thematic rankings, reports, press articles) and industry-related alerts. Task force members monitor any changes in these alerts. Following the identification of an alert, the relevant functions are tasked with conducting an investigation, defining an appropriate response and specifying any action plans or processes to be put in place to mitigate the risk. The Duty of Care Plan is regularly monitored by the various governance bodies (see Section 2.2.1 Governance of the Duty of Care Plan).

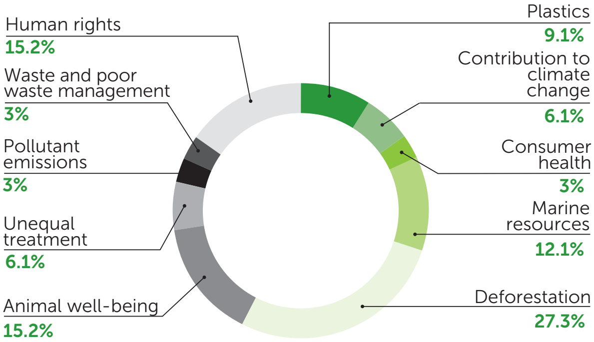
2.2.6.2 Types of alerts

Alerts reported through the ethics hotline. In 2023, 5,361 alerts were received, most of which were reported through the local whistleblowing channels (92.6%). The remaining alerts were reported via hierarchical channels, e-mail or post.

Alerts by category in 2023	Percentage of alerts received
Human resources (other than discrimination and harassment)	62.9%(1)
Other	13.6%(2)
Theft, fraud and misappropriation of funds	13.1%
Discrimination or harassment	7.9%
Corruption and conflict of interest	1.2%
Health and safety	1.1%
Antitrust and unfair trade practices	0.1%
Environmental issues	0.1%
TOTAL	**100%**

(1) Do not represent breaches of the Group's Principles of Ethics.
(2) Alerts not within the scope of the categories in the table above, and which do not concern human rights or accountability, for which the percentage of alerts received is 0%. Do not concern the consolidated scope or referred to customer services.

FIGURE 5: BREAKDOWN BY CATEGORY OF ALERTS HANDLED BY THE COMMITTEE ON PURCHASING RULES FOR THE FOOD TRANSITION



In 2023, the main alert categories most often handled by the Committee on Purchasing Rules for the Food Transition concerned deforestation, human rights, animal welfare and consumption of marine resources.

2.2.7 MONITORING SYSTEM FOR MEASURES IMPLEMENTED

France's duty of care law requires companies to set up a system to track the measures they have taken and assess their effectiveness.

Qualitative monitoring	Qualitative monitoring of company measures is carried out regularly through interviews with the operational business teams, informed by alerts reported via the various channels and an annual questionnaire sent to the Group's eight integrated countries.
Quantitative monitoring	Carrefour has indicators in place on human health and safety, human rights and the environment. Collected using the Group's reporting tools, audits and other mechanisms, these indicators are used to evaluate the relevance and effectiveness of company measures. See 2.2.4.2 Prevention and mitigation measures in place.

2.2.8 REPORT ON THE 2023 DUTY OF CARE PLAN

2.2.8.1 Main measures implemented in 2023

TYPES OF RISKS	MEASURES IMPLEMENTED IN 2023
Risks of environmental damage	
Upstream greenhouse gas emissions	In 2023, Carrefour formed a coalition with seven major manufacturers (Danone, Unilever, Bel, Andros, Bonduelle, Nutrition & Santé and Savencia), who committed to achieving 3 billion euros in sales from plant-based meat alternatives by 2026, through a series of joint actions. In 2023, a stakeholder panel was organised, bringing together around 60 internal staff, suppliers, banks and insurance companies, non-profits and consumers to work collectively on the "Agriculture and Climate" strategy. In 2023, Carrefour received an LSA award for expanding its Carrefour Bio brand offering of organic and French pulses with white beans.
Consumption of marine resources	In May 2023, an analysis of the pressures and impacts on fishery products was carried out. Its aim was to thoroughly identify the biodiversity impacts associated with the fish products sold by Carrefour. This involved documenting the types of pressure in question, their location and the players involved, as well as comparing the different methods of capture and identifying possible courses of action to mitigate the impacts.
Waste and poor waste management	In 2023, Carrefour deployed DEAVA, an application to help manage expiry dates. It allows you to list perishable products, quickly check the list of short-dated products, suggest a promotion rate and create short-date labels. DEAVA reduced shrinkage by 15% in 2023. As part of its partnership with the Paris 2024 Olympic and Paralympic Games, Carrefour is supporting Procter & Gamble and Paris 2024 in the manufacture of the podiums by organising an event in Montesson with its customers to collect rubbish abandoned in nature.

TYPES OF RISKS	MEASURES IMPLEMENTED IN 2023
Deforestation and land-use change	In May 2023, the Group joined the SBTN's Target Setting Group: Carrefour is one of 17 global companies to have joined this working group on biodiversity preservation, due to set their first targets in the first half of 2024. In 2023, the Group invested 10 million euros in six projects to preserve Brazilian biomes. The majority of these projects will last three years, and four have already been launched.
Microplastic emissions	As part of the process to redefine Carrefour's objectives on plastics, a consultation was organised on December 18, 2023, in the presence of the Carrefour group's Director of Engagement. This event brought together the Group's internal teams, as well as NGOs, experts, suppliers, customers and investors to define a compelling ambition for the Group.
Consumption of energy resources	Carrefour aims to secure its supply of renewable electricity and in 2023 approached Voltalia to sign a power purchase agreement (PPA). The agreement took effect on January 1, 2024 and will run for 17 years. In 2023, Carrefour passed the milestone of 100 EV charging stations, making it the leading network of charging stations in France, with more than 850 charging points across the country, half of them high-power (up to 300kW). Carrefour is also rolling out hydrogen stations in the Greater Paris region through a partnership between Carrefour and HysetCo. Five distribution stations are to be deployed in the Greater Paris region by summer 2024 under the partnership. In 2023, Carrefour and Uber also announced a partnership to improve the accessibility, cost and experience of recharging electric vehicles for VTC drivers. who will enjoy preferential rates on the Carrefour Energies network from January 2024 in France.
Emissions of pollutants impacting living organisms and food resources	In May 2023, the Group joined the SBTN's Target Setting Group: Carrefour is one of 17 global companies to have joined this working group on biodiversity preservation, due to set their first targets in the first half of 2024.
Water consumption	Carrefour adopted a new energy sobriety plan in 2023: Carrefour is committed to water efficiency, with a target of reducing water consumption in its French stores by 10% by 2025.
Risk of human rights violations	
Inadequate working conditions Forced labour	In 2023, the Group completed its new human rights map for its own operations. The map highlights the human rights risks that are inherent in its operations. The Group has continued to deploy its various whistleblowing mechanisms in supply chains at risk of human rights violations. The Sentinel and Worker Voice tools have helped to increase the number of alerts and anticipate potential violations.
Illegal work	
Failure to pay decent wages	In 2023, the Group launched a survey on decent wages for Group employees in three of its integrated countries.
Unequal treatment and discrimination	To mark Pride Month in June 2023, the Carrefour group announced an unprecedented partnership with the Le Refuge Foundation. This involves: ■ support from the Foundation for young LGBT+ people in their search for employment, consisting of job presentations, store visits, workshops to help them write CVs and cover letters, job search assistance and e-reputation awareness-raising. They also organise mock interviews and career discovery courses and facilitate access to employment, giving focused attention to applications at Carrefour from young people supported by Le Refuge; ■ a welcome kit given to beneficiaries of the Le Refuge Foundation, including basic hygiene products; ■ a bi-annual non-food donation that includes bed linen, crockery, clothes, suitcases and small electrical appliances; ■ financial support for the Foundation's initiatives. In 2023, Carrefour announced the launch of an international "Disability Innovation Challenge" that will run until May 19 under the patronage of Geneviève Darrieussecq, Minister of State for Solidarity, Autonomy and People for Disabilities, responsible for the People with Disabilities. Companies from all over the world wishing to present their innovations for a more inclusive society will be able to register on a dedicated platform to be selected by a panel of leading figures committed to the inclusion of people with disabilities. Carrefour has announced its support for the French Paralympic and Sports Committee via its ESMS & Clubs programme, which helps to develop athletics for people with disabilities throughout France. Carrefour has reaffirmed its commitment to people with autism spectrum disorders. Carrefour has installed a store map on its trolley bars to make it easier for people with physical or mental disabilities to find their way around.

TYPES OF RISKS	MEASURES IMPLEMENTED IN 2023
Risks to the health and safety of people	
Occupational health and safety risks	Carrefour has put in place a reinforced social protection system which includes: ■ 12 days' authorised sick leave per year for women suffering from endometriosis and who have a document certifying their disability recognised by the company (*Reconnaissance de la Qualité de Travailleur Handicapé* – RQTH), inclusion card or disability certificate issued by the French social security agency, CPAM); ■ 3 days' authorised sick leave following a miscarriage; ■ 1 day's leave for women undergoing assisted reproduction treatment, at the time of an embryo transfer, in addition to the legal provisions in force. These days of leave, which until now required doctor's notes and could result in up to several days' absence, will now be supported and financed by Carrefour France for all its women employees.

2.2.8.2 Review of alerts received in 2023

RISKS COVERED	MANIFESTATION OF RISK OR ALERTS IDENTIFIED IN 2023	DATE	ADDITIONAL MEASURES IN 2023 AND DEVELOPMENT OF EXISTING ACTION PLANS
Biodiversity	Presence of pesticides in cereal production	May 4, 2023	A report issued by the NGO, Foodwatch, raised an alert about the presence of pesticides in cereal production and highlighted the impact this could have on the environment and human health. Carrefour reaffirms that the objective of the Carrefour Quality Lines is to encourage fruit growing and vegetable farming processes that do not use synthetic chemical pesticides, while maintaining the level of agricultural output. Pilot tests have been set up to help each line meet this objective. The overall approach is iterative and progressive: as soon as a type of pesticide is eliminated, the line concerned is promoted through the Carrefour Quality Lines system. As at December 31, 2023, four Carrefour Quality Lines had launched a process for reducing the use of synthetic chemical pesticides: ■ The durum wheat line, via an initiative launched in 2014 in partnership with Alpina Savoie, for the wheat used to make pasta and couscous. The wheat is grown without synthetic insecticides from farm to fork (including storage). Consumers are informed directly about this on the packaging through a corresponding agroecology statement. ■ The soft wheat, rye and spelt lines, in a project launched in 2021 in partnership with Moulin Degrange for the ingredients used to make baguettes in Carrefour stores. Pilot tests to eliminate the use of pesticides are currently being carried out with the producers' cooperative, co-financed by Carrefour. To date, the two years of tests have not been conclusive, and the Group is working on a new protocol for 2024.
Biodiversity	Deforestation in Brazil due to soy farming	June 2, 2023	Mighty Earth alerted the Group about cases of deforestation related to soy farming in the Cerrado involving the Bunge group. Carrefour launched an investigation into this case. The Group has put in place guarantees concerning the sourcing of raw materials used in Carrefour products (signature of France's Soy Manifesto for almost all Carrefour-branded products concerned, and implementation of zero-deforestation guarantees for 21.7% of volumes vs. 19.7% in 2022). These measures are in line with the Group's objective that all Carrefour Quality Lines and key Carrefour-branded products will be using deforestation-free soy for livestock feed by 2025. Carrefour also publishes a list of the main soy traders linked to its supplies of Carrefour-branded animal products sold in France (see the Group's report on combating deforestation). In addition to the actions and measures it is carrying out in relation to the raw materials used in its products, the Group firmly believes that soy traders need to play their part in fighting deforestation. Carrefour therefore assesses the practices of the traders in its supply chains. The Group also takes part in various collective initiatives aimed at making these types of assessments available to all market players in order to guide them in their procurement decisions.

RISKS COVERED	MANIFESTATION OF RISK OR ALERTS IDENTIFIED IN 2023	DATE	ADDITIONAL MEASURES IN 2023 AND DEVELOPMENT OF EXISTING ACTION PLANS
Biodiversity	Deforestation in Brazil	September 9, 2023	The magazine, *Repórter Brasil*, reported that Frialto Meatpacker had bought cattle from Bruno Heller, a cattle rancher who has been arrested for appropriating public land and "fraudulent fragmentation" of land. Bruno Heller is also accused of illegally setting fire to 1,218 hectares of indigenous vegetation without authorisation and of appropriating indigenous land in the state of Para. Following the alert raised by *Repórter Brasil*, Carrefour Brazil immediately launched an investigation. No farm belonging to Bruno Heller or any other person with the same surname (including Tatiana Heller or others) appears on the list of farms that supply the group. Carrefour Brazil carried out its investigation based on the information available in the database of the 33,000 geo-monitored farms that supply Carrefour in Brazil, as well as on interviews with Frialto, which supplies less than 1% of the meat sold by Carrefour Brazil. In 2022, Carrefour reaffirmed and stepped up its commitments to combating deforestation, and became the first retailer to put in place a global deforestation-free beef supply chain plan. This plan comprises: ■ a geo-monitoring system for 33,000 farms in Brazil; ■ the creation of a 10 million euro fund to fight deforestation; ■ the creation of a committee of specialists made up of NGOs and scientists to advise Carrefour Brazil on its actions to combat deforestation; ■ a pledge that by 2026, no beef sold under the Carrefour brand will be sourced from areas that are at the highest risk of deforestation, with this pledge extended to other brands sold in Carrefour stores by 2030.
Human rights/ Health and safety	Human rights at pineapple farms in Kenya	October 12, 2023	An article in The Guardian newspaper in the UK raised serious concerns about violations of human rights at the farms of one of Carrefour's pineapple suppliers (Del Monte) in Kenya. Kenya's National Commission on Human Rights (KNCHR) has launched an investigation into allegations of killings and assaults carried out by security guards at a Del Monte pineapple farm in Thika. Del Monte supplies Carrefour with several fruit-in-syrup products, including pineapples from its factory in Kenya. Audits were carried out at this factory based on the BSCI standard in June 2023 and it was rated "A". Del Monte also commissioned a PartnersAfrica audit. However, as soon Carrefour received the alert, it put in place specific action plans: ■ an HRIA (Human Rights Impact Assessment) team was set up; ■ a platform was created for collecting witness statements in English and Swahili; ■ meetings were organised with community leaders to discuss new complaints; ■ security guards were trained in how to make arrests and use the minimum amount of force; ■ a direct link was set up with the police.

RISKS COVERED	MANIFESTATION OF RISK OR ALERTS IDENTIFIED IN 2023	DATE	ADDITIONAL MEASURES IN 2023 AND DEVELOPMENT OF EXISTING ACTION PLANS
Human rights Biodiversity Health and safety	Formal notice served on Carrefour by the Bloom NGO regarding the Group's tuna supplies	November 8, 2023	The Bloom NGO served formal notice on the Carrefour group, alleging that it bears a major responsibility for the collapse of marine biodiversity and for countless human rights violations documented throughout the tuna "value" chain, from capture to marketing. The Group's policy relating to fishery resources for its own-brand products is one of the most exacting in the market. It is based on selecting tuna species that are more abundant and which are caught in areas that are not overfished, and using fishing techniques that respect the marine environment. It also imposes strict criteria in terms of traceability and identification of fishing boats, which are more restrictive than general market practices, in particular to ensure compliance with the Group's human rights rules. Carrefour canned tuna that comes from alternative fishing methods accounts for 55% of its overall tuna volumes (51% fished without Fish Aggregating Devices and 4% with lines or rods). Detailed action plans have been drawn up by the Group for the remaining 45%, but the changes will be gradual as they require fishing companies to introduce major new practices.
Human rights	Racism In Brazil	May 2023	The financial rating agency Standard & Poor's (S&P) alerted the Carrefour group to a case of racism in a Carrefour store in Salvador, Bahia (Brazil). Following an investigation carried out by the Group, it emerged that no direct Carrefour employees were involved in the incident, but Carrefour did note the involvement of security professionals from a third-party company who were working in the area. The Group nevertheless took the following measures: ■ It handed over security camera footage to the relevant authorities; ■ It cancelled of the contract with the company in question; ■ It provided support to victims according to their needs; ■ It extended the use of cameras for prevention teams in all stores.

2.3 Green taxonomy

2.3.1 CONTEXT

2.3.1.1 Overview of the regulatory context

EU Regulation 2020/852 of June 18, 2020, commonly referred to as the "EU Taxonomy", provides a reference framework to encourage sustainable investment by requiring companies to disclose the portion of their turnover (i.e., sales), capital expenditure (CapEx) and operating expenditure (OpEx) that contributes substantially to one of the following six environmental objectives:

- climate change mitigation;
- climate change adaptation;
- sustainable use and protection of water and marine resources;
- transition to a circular economy;
- pollution prevention and control;
- protection and restoration of biodiversity and ecosystems.

The European Commission has therefore defined a number of technical criteria in order to establish a common language for the concept of sustainability and, consequently, to direct the allocation of capital towards activities contributing substantially to the achievement of one of these six objectives.

Accordingly, since 2021, companies have been required to report the portion of their sales, capital expenditure and operating expenditure associated with economic activities that are considered "eligible", i.e., classified in the EU Taxonomy, with respect to the first two objectives of climate change mitigation and adaptation. Since 2022, reporting must also include the portion of sales, capital expenditure and operating expenditure considered to be "sustainable" or "aligned", i.e., meeting the sustainability criteria defined in the Taxonomy for the first two climate objectives. In 2023, Taxonomy reporting was extended to the last four environmental objectives (sustainable use and protection of water and marine resources, transition to a circular economy, pollution prevention and control, and protection and restoration of biodiversity and ecosystems), in regards to which companies will have to report the portion of their sales, CapEx and OpEx that are "eligible".

To meet these reporting obligations, a detailed assessment of all the Group's activities within the different consolidated entities was carried out jointly by the Group and country-level Finance, CSR, Real Estate, Legal and Tax departments, together with the operational teams. The identification of eligible activities and the assessment of their degree of alignment with the Taxonomy was carried out in accordance with the instructions and criteria of the delegated acts. In particular, a verification was performed to avoid double counting of eligible sales and CapEx.

An activity is deemed to be "aligned" when it complies with all the relevant technical assessment criteria (substantial contribution and DNSH) and the Group meets the minimum safeguard requirements.

2.3.1.2 Connection to the Carrefour group's CSR strategy

Carrefour's retail business, the Group's main activity, is not included in the list of activities defined to date by the EU Taxonomy. Only the Group's waste collection, construction, real estate, vehicle rental and sale of second-hand goods activities are included in this scope. As regards mitigating and adapting to climate change, the European Commission has prioritised the highest emitting Scope 1 and 2 activities that have a strong potential for transformation and for helping to reduce emissions. For the other four environmental objectives, the Commission has initially selected sectors that have a significant positive or negative environmental impacts for each objective. At this stage, many sectors of the economy are not yet covered by the delegated regulations with regard to the six environmental objectives.

As a result, the portion of the Group's eligible sales and OpEx is very small. The portion of eligible CapEx, on the other hand, is significant, mainly due to the Group's property investments. Based on the Regulation's current architecture, low overall alignment with the Taxonomy is something that concerns the entire retail industry.

The Taxonomy Regulation does not currently allow for full reporting on the initiatives implemented by the Group concerning the product offer (responsible purchasing criteria and requirements, circular economy for packaging), the involvement of partners (suppliers, service providers), or the issues related to the food transition in general. At present, outsourced Taxonomy-eligible activities only concern transport (vehicle fleet, installation of charging stations for electric vehicles) or energy (installation of solar photovoltaic panels at retail sites).

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2.3.2 RESULTS

2.3.2.1 Taxonomy-eligible and non-eligible activities

The scope of eligible activities to date is relatively limited and not material. The eligibility guidelines for 2023 were updated and now include the following:

- the sales, capital expenditure and operating expenditure data in question cover all of the Group's activities corresponding to the scope of the companies under its control. Companies in which the Group exercises joint control or significant influence are excluded from the calculation of the proportions defined by the delegated act corresponding to Article 8 of the Taxonomy Regulation. In 2023, the Group accounted for the agreement to sell Carrefour Taiwan, which was finalised on June 30, 2023, and the acquisition of Cora in Romania, which was finalised on October 31, 2023. Due to delays and the low materiality of the acquisition during the year, the assets entering Carrefour's balance sheet were not analysed as part of the alignment assessment;
- the financial data is taken from the consolidated financial statements for the year ended December 31, 2023; the reconciliation and breakdown of the denominators of sales and capital expenditure are presented below.

Following an analysis of the last four objectives of the Taxonomy in force for 2023, the Group updated its 2022 eligibility guidelines and added four more eligible activities, one of which contributes to the water objective and the three others to the circular economy objective:

- Activity 1.1 – Manufacture, installation and associated services for leakage control technologies enabling leakage reduction and prevention in water supply systems has been added for the purpose of reporting CapEx related to reducing water wastage;
- Activity 1.2 – Manufacture of electrical and electronic equipment has been added to the circular economy objective to report the Group's IT CapEx;
- Activity 2.7 – Sorting and recovery of non-hazardous waste has been included to reflect the sales and CapEx generated by the Group's use of Reverse Vending Machines (RVM), which enable consumers to return their used bottles;
- The circular economy objective corresponding to activity 5.4 – Sale of second-hand goods has been included to account for proceeds from the sale of used products.

Scope of eligible activities

CLIMATE CHANGE MITIGATION

7 — Construction and real estate activities

7.1 — Construction of new buildings
Real estate and commercial development activities.

7.2 — Renovation of existing buildings

7.3 — Installation, maintenance and repair of energy efficiency equipment
LED, lighting installations, reflective paint for roofs.

7.4 — Installation, maintenance and repair of charging stations for electric vehicules in buildings (and parking spaces attached to buildings)
Charging stations for electric vehicles.

7.5 — Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings
CTM, BMS, remote site control systems.

7.6 — Installation, maintenance and repair of renewable energy technologies
Solar panels.

7.7 — Acquisition and ownership of buildings
Income from the ownership of a building (rents received from the leasing of stores, spaces and buildings) as well as Carrefour property leases recognised under IFRS 16.

5 — Water supply, sewerage, waste management and remediation

5.5 — Collection and transport of non-hazardous waste in source segregated fractions
Recycling and reusing plastic and cardboard.

6 — Transport

6.5 — Transport by motorbikes, passenger cars and light commercial vehicles
Leasing of van and utility vehicles by Carrefour.
Leasing of vehicles (all types) to customers.

CIRCULAR ECONOMY

1 — Manufacturing

1.2 — Manufacture of electrical and electronic equipment
Capital expenditure on IT hardware.

2 — Water supply, sewerage, waste management and remediation activities

2.7 — Sorting and material recovery of non-hazardous waste
The Group's use of Reverse Vending Machines (RVM) which give a second-life to containers returned by customers.

5 — Services

5.4 — Sale of second-hand goods
Sale of used goods.

2.3.2.2 Eligibility and alignment results in 2023

Carrefour's eligibility and alignment results in 2023 are presented below. As a reminder, given that OpEx aligned with the Taxonomy is not material for the Group, Carrefour used the exemption allowing it not to publish the OpEx indicator.

BREAKDOWN OF ELIGIBLE AND ALIGNED ACTIVITIES

Economic activity	Sales *(in millions of euros)*	Share of sales	CapEx *(in millions of euros)*	Share of CapEx
2023				
Aligned activities	23	0.03%	179	5.4%
Eligible activities	148	0.2%	1,886	57.1%
TOTAL	**83,270**	**100%**	**3,305**	**100%**
2022				
Aligned activities	43	0.1%	51	1.0%
Eligible activities	211	0.3%	1,689	31.6%
TOTAL	**83,089**	**100%**	**5,345**	**100%**

Alignment rates for the Group remain low in 2023, even though the CapEx alignment rate has increased to 5.46% in 2023, compared with 1.0% in 2022, due to the alignment achieved on certain leased buildings. These rates only concern the climate change mitigation objective. In terms of sales, the identified opportunities for alignment mainly concerned the waste collection activity (5.5). Taxonomy-aligned CapEx also concerned the waste collection activity (5.5), as well as the energy efficiency equipment (7.3), charging stations for electric vehicles (7.4), instruments and devices for controlling building energy performance (7.5), renewable energy equipment (7.6) and acquisition and ownership of buildings (7.7) activities.

The low overall rate of alignment is mainly related to the leasing, construction and building renovation activities (7.1, 7.2 and 7.7). They accounted for the bulk of CapEx in 2023, but had achieved very low or zero alignment. There are several reasons for this:

- the Taxonomy criteria require dealing with new types of information that can be difficult to collect. Firstly, the very nature of the data to be collected and the criteria to be assessed therefore pose a difficulty. In addition, generally, the required information cannot be readily retrieved from the information systems. Finally, because the applicable criteria are cumulative, these activities generally give rise to zero or a very low level of alignment. However, in 2023, some alignment was identified as a result of cross-references between the accounting data and the technical and energy data relating to a number of leased buildings;
- the Taxonomy criteria are strict and cumulative; if sales and CapEx do not meet a set of cumulative criteria, they cannot be considered aligned. This is particularly the case for activities 7.1 and 7.2, which are subject to a multitude of criteria.

Work was undertaken in 2023 to better pinpoint the technical criteria necessary for alignment. This work will continue in the coming years. There are also certain action levers that should help to reinforce and improve the Taxonomy results in the coming years, particularly in terms of alignment:

- in the area of waste collection, Carrefour's goal is to recover 100% of store waste by 2025, an objective included in the Group's CSR and Food Transition Index, which would make it possible to increase the Taxonomy-aligned sales and CapEx for activity 5.5 in the future;
- the Group has made it a priority to reduce energy consumption in the years ahead, which should bring about an increase/a stabilisation in the amounts of CapEx associated with activities 7.3 and 7.5;
- Carrefour's goal of using 100% renewable electricity by 2030 means that the amount of CapEx associated with activity 7.6 is expected to change increase stabilise in the coming years.

2.3.2.3 Changes from the previous year

Taxonomy-eligible and -aligned sales in 2023 were lower than in 2022 due to unfavourable raw material prices for cardboard and plastics, which reduced the value of sales of these materials. Taxonomy-eligible CapEx in 2023 increased compared to 2022 due to investments in building renovation, energy efficiency systems in buildings and photovoltaic installations. Taxonomy-aligned CapEx was also up, driven by similar investments in energy efficiency and renewable energy.

2.3.3 ASSESSMENT AND METHODOLOGY

2.3.3.1 A reminder of the indicators and reconciliation with the financial statements

2.3.3.1.1 Sales

Carrefour is actively engaged in a food and ecological transition. The initiatives undertaken in the agricultural sector for the promotion of responsible consumption, the circular economy for packaging, the responsible sourcing of raw materials and the fight against food waste are not covered in the climate delegated act.

As a result, the portion of the Group's eligible sales for 2023 amounts to only 0.2% of the total consolidated sales figure of 83.3 billion euros (see the consolidated income statement), and mainly covers the property development and leasing, waste collection and vehicle rental activities. The aligned portion of sales amounts to 0.03% and concerns the collection of waste for re-use and recycling, the installation of charging stations for electric vehicles and the installation of renewable energy equipment.

DEFINITIONS

The proportion of sales referred to in Article 8 of Regulation (EU) 2020/852 is calculated by dividing the share of the net sales derived from products or services associated with Taxonomy-eligible and -aligned economic activities (numerator) by the net sales (denominator) as defined in Article 2, item (5) of Directive 2013/34/EU. The sales figure includes the revenue recognised pursuant to International Accounting Standard (IAS) 1, paragraph 82 (a), as adopted by Commission Regulation (EC) No. 1126/2008.

RECONCILIATION

Consolidated sales are presented in the consolidated income statement under "Total revenue" (see Chapter 6 of this Universal Registration Document).

2.3.3.1.2 Eligible capital expenditure and operating expenditure reported on individual measures

2.3.3.1.2.1 CapEx

The Group reports capital expenditure that can be associated with the eligible sales of an activity or that represents individual capital expenditure. Such individual capital expenditure is not associated with an economic activity as set out in Annex 1 to the delegated regulation, Article 8, Section 1.1.2.2, items (a) and (c), respectively. Most capital expenditure represents individual measures, as described under item (c).

The Carrefour group's eligible capital expenditure mainly concerns real estate activities, such as the construction, renovation and purchase of buildings, as well as expenses related to energy efficiency equipment and renewable energy products (solar panels, roofs with reflective paint, re-lamping, etc.). Capital expenditure also includes an increase in right-of-use assets related to property leasing and vehicle rental (from renewals and new IFRS 16 contracts).

As a result, the proportion of the Group's eligible capital expenditure for 2023 amounts to 57.16% out of a total of 3,211.33 304.6 million euros (see reconciliation below). These expenses primarily refer to acquisitions and an increase in right-of-use buildings under IFRS 16, as well as spending for the construction of new buildings and renovation of existing buildings. The aligned portion of capital expenditure amounts to 5.46% and chiefly concerns the collection of waste for re-use and recycling, energy efficiency equipment, instruments and devices for controlling building energy performance, renewable energy equipment and building rentals.

DEFINITIONS

Eligible and aligned numerators are equal to the part of the capital expenditure included in the denominator that is any of the following:

- related to assets or processes that are associated with Taxonomy-eligible economic activities;
- part of a plan to expand Taxonomy-aligned economic activities or to allow Taxonomy-eligible economic activities to become Taxonomy-aligned;
- related to the purchase of output from Taxonomy-aligned economic activities and individual measures enabling the target activities to become low-carbon or to lead to greenhouse gas reductions (notably activities listed in points 7.3 to 7.6 of Annex I to the Climate Delegated Act, as well as other economic activities listed in the delegated acts).

The denominator covers the current year's additions to tangible and intangible assets, before depreciation and amortisation and before remeasurement, including remeasurement resulting from revaluation and impairment, for the year in question, excluding changes in fair value. It also includes additions to tangible and intangible assets resulting from business combinations.

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RECONCILIATION

The CapEx denominator may be reconciled with the consolidated financial statements as follows:

(in millions of euros)	2022	2023	Reconciliation with the financial statements
Intangible assets, property and equipment, investment property	**3,954**	**1,860**	**Statement of changes in intangible assets (Note 7.1), property and equipment (Note 7.2) and investment property (Note 7.4)**
Acquisitions	1,882	1,846	Under "Increases"
Business combinations	2,072	14	Included under "Changes in scope"
Right-of-use assets (IFRS 16)	**1,391**	**1,440**	**Statement of changes in right-of-use assets (Note 8.1)**
New contracts and renewals	906	1,336	Under "Increases"
Business combinations	485	104	Under "Changes in scope"
TOTAL	**5,345**	**3,305**	

2.3.3.1.2.2 OpEx

The operating expenditure exemption ratio, which corresponds to the OpEx eligible for the Taxonomy (numerator) divided by Group consolidated OpEx (denominator), came to 6.3% in the 2023 financial year.

Compared to total Group OpEx of 14.4 billion euros, the share of Taxonomy-aligned OpEx is insignificant (see notes to the consolidated accounts). Consequently, it was decided to apply the exemption from publishing the OpEx ratio in 2023.

DEFINITIONS

The operating expenditure items covered by the Taxonomy are defined as direct non-capitalisable costs and include research and development costs, building renovation costs, maintenance and repair costs, rents presented in the income statement and any other expenses related to the day-to-day maintenance of assets. The definition of operating expenditure used for the denominator and numerator does not include research and development costs, as the Group has not implemented a research and development policy. Employee benefit expenses related to the maintenance and repair of assets are included in the denominator but not in the numerator. These specific types of employee benefit expenses are not tracked separately in the Group's reporting.

Group consolidated OpEx is defined as all expenses included in the operating result that are not financial or non-recurring expenses.

RECONCILIATION

The calculation of the OpEx exemption ratio is presented below:

(in millions of euros)	2023
Taxonomy OpEx denominator(1)	900
Total Group OpEx(2)	14,369
OPEX KPI	**6.3%**

(1) Includes maintenance and repair expenses and short-term lease expenses (non-IFRS 16). Employee benefits expense corresponding to employee maintenance costs could not be separated out and was therefore not taken into account in determining the amount of Taxonomy-eligible OpEx.

(2) Includes all operating expenses except non-recurring expenses.

2.3.3.2 Methodology for assessing activities against the technical review criteria

2.3.3.2.1 Methodology for assessing eligibility

In 2023, the eligible activity guidelines were updated based on interviews with the different countries and an analysis of the possibility of adding or removing certain activities, developing new operations and discontinuing others.

2.3.3.2.2 Methodology for assessing alignment: substantial contribution, DNSH criteria and minimum safeguards

2.3.3.2.2.1 Methodology for checking if the substantial contribution and specific DNSH criteria are met

A workshop was held in each country to present the technical review criteria. Each country then filled in a personalised collection matrix for reporting eligibility data and analysing the different criteria identified for alignment – project by project or CapEx line by CapEx line. These matrices were then critically reviewed. Lastly, the Group conducted two progress reviews with the Statutory Auditors in order to validate the approach and the results achieved.

Concerning activity 5.5 – Collection and transport of non-hazardous waste in source segregated fractions, for which it reported aligned sales and CapEx, the Group checked whether the activity made a substantial contribution to the environmental objectives and complied with specific DNSH criteria regarding:

- the nature of the waste (in the case of Carrefour, only paper, cardboard and plastic);
- the separate collection of the waste and no mixing with other types of waste;
- the preparation of the waste for reuse or recycling.

CapEx associated with activity 7.3 was deemed to be aligned when one of the following two conditions was met:

- it was linked to the installation of LED lamps, which are considered to be very energy efficient;
- it was linked to equipment (lighting, heating, ventilation) with proven energy efficiency.

The pollution screening criterion for building materials was not deemed material for these types of CapEx. The CapEx related to activities *7.4 – Installation, maintenance and repair of charging stations for electric vehicles inside buildings (and in car parks attached to buildings)*, *7.5 – Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings* and *7.6 – Installation, maintenance and repair of renewable energy technologies* was deemed to be automatically aligned since the criterion of substantial contribution is explicitly referred to in the description of each activity. As a result, Carrefour solely focused on verifying compliance with the DNSH adaptation criterion (detailed below).

CapEx associated with activity 7.7 was deemed to be aligned when:

- the final energy consumption of the building in 2023, converted into primary energy and related to the building's surface area, resulted in a primary energy demand below the top 15% defined by the OID for large food retailers (491 kWh per sq.m. per year);
- the building had an energy performance contract in place or a building automation and control system.

Only leased buildings constructed before December 31, 2020 were concerned by the alignment in 2023. These buildings are therefore assessed based solely on the screening criteria above, and do not have to undergo testing for air tightness or thermal integrity or life cycle analyses.

2.3.3.2.2.2 Methodology for checking if the generic DNSH and minimum safeguard criteria are met

Determining whether Carrefour's eligible activities are aligned also requires the carrying out of Group-level assessments. To establish the eligibility and alignment of activities, the Group must meet the generic criteria for DNSH to climate change adaptation presented in the appendices to Annex 1 of the Taxonomy delegated act relating to the objective of climate change mitigation. It must also comply with the minimum safeguards (MS) described in the Platform on Sustainable Finance (PSF) report published in October 2022. The Group has assessed its business model for compliance with these two requirements.

2.3.3.2.2.3 Generic DNSH criteria

Generic DNSH are the criteria mentioned in appendices A, B, C and D to the annexes of the Taxonomy Regulation relative to the climate change mitigation and adaptation objective. They require a holistic assessment at the Group level rather than an economic activity-led approach.

The Group complies with the Taxonomy generic criteria set out in Appendix A, which is the only generic DNSH criteria applicable to the Group's aligned activities in 2023.

APPENDIX A: GENERIC CRITERIA OF THE 'DO NO SIGNIFICANT HARM' PRINCIPLE FOR CLIMATE CHANGE ADAPTATION

To meet the DNSH criterion for the climate adaptation objective, the Group conducted a physical climate risk assessment. It evaluated the exposure of the Group's real estate asset portfolio to future climate change impacts (2030, 2050, 2100), and according to different peak scenarios adopted by the IPPC (RCP2.6, 4.5 and 8.5).

The assessment included a review of the Carrefour group's asset exposure to significant physical climate risks. Certain risks were deemed to be irrelevant – either due to Carrefour's business or the geographical location of the sites analysed – and were excluded from the assessment. The following risks were included in the climate model: drought, fire (weather conditions particularly conducive to fires), heat stress (heat waves), precipitation, river flooding (with defence systems), river flooding (without defence systems), sea level rise, tropical cyclones.

Based on this assessment, adaptation plans are being developed and rolled out for the assets identified as most at risk in each country and for the risks deemed to be the most significant.

In conclusion, for this second year of disclosure, Carrefour meets all of the criteria listed in Appendix A for its eligible activities to be considered aligned.

2.3.3.2.3 Methodology for checking if minimum safeguards are met

The scope of topics covered by the Minimum Safeguards (MS) was clarified in the October 2022 report of the European Platform on Sustainable Finance called *Final Report on Minimum Safeguards*, which references a body of international human rights regulations. Non-alignment criteria need to be validated, and the report has introduced reasonable due diligence steps in the areas of human rights, corruption, taxation and competition law.

In 2023 and 2022, the review of the minimum safeguards took place according to a two-stage process. First, the Group verified its compliance with the non-alignment criteria related to the four main topics identified in the minimum safeguard report, an assessment that included controversy screening. Second, the Group checked that its human rights processes applied the six key steps to reasonable human rights due diligence, in accordance with the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. These assessments show that the Carrefour group was aligned with these requirements in 2023.

Non-alignment criteria

Controversy screening validated Carrefour's alignment. There were no cases of human rights violations, corruption charges or tax crimes. With regard to human rights, none of the OECD National Contact Points (NCP) received a referral, and the Group responded to the two allegations published on the Business and Human Rights Resource Centre (BHRRC) website. In the course of its business, the Group can be sanctioned for restrictive practices deemed to be anti-competitive. However, as Carrefour has already paid the penalties that have been imposed on it in relation to this issue, this does not prevent the Group from considering its activities to be compliant with the minimum safeguards.

Procedures and reasonable diligence

The Group implements the necessary processes to ensure compliance with the remaining non-alignment criteria, summarised below:

- to meet the minimum **human rights** safeguards, the Group relies on a dedicated policy for managing human rights issues, which may be found on the carrefour.com website in the Non-Financial Statement (see Section 2.1) and the Duty of Care Plan (see Section 2.2);
- in the area of **corruption**, and in accordance with the requirements of the Sapin II law, Carrefour relies on a comprehensive system for identifying corruption risks, prevention policies and whistleblowing processes, which is deployed across all of the Group's activities in France and abroad and described in section 2.1.5.5 of this document;
- in the area of taxation, the Group has notably introduced special training in every Group country and implemented corrective mechanisms where required (see section 2.1.5.5);
- in the area of **competition law**:
  - the Group relies on several means to ensure compliance: compulsory training, including a course on competition law; the preparation of contract models, which are drafted and distributed by the Legal departments and contain clauses on competition law compliance, and a system for monitoring legal issues in every Legal department (see section 2.1.5.5);
  - Carrefour was not found guilty in 2022 or 2023 of any illegal conduct for concerted practices, infringement of merger control rules or abuse of a dominant position.

2.3.3.2.4 Main trade-offs and proxies

Given the breadth of the eligibility and alignment assessment conducted across the Group and its entities, it was inevitable to use several trade-offs and certain proxies. Carrefour made it a point, however, to apply a principle of prudence when making choices and selecting alternatives.

Concerning the eligibility of the activities:

- Taxonomy-eligible real estate activities include air-conditioning equipment but not refrigeration. As Carrefour's retail activities have not yet been provided for by the Regulation, CapEx related to cooling systems such as central refrigeration units, cold cabinets and doors has not been included in the eligibility analysis;
- in terms of materiality, the alignment assessment of eligible projects has been done in such a way as to cover a minimum/maximum of 70% of the amount of eligible turnover or CapEx. The remaining eligible projects that were not assessed were considered to be non-aligned as a matter of prudence.

Concerning the alignment assessment for buildings leased under IFRS 16 that do not have an energy performance certificate or a real estate label, calculations were carried out to determine their primary energy demand (PED) based on 2023 final energy consumption and conversion factors. These calculations were used to determine whether certain buildings were aligned.

2.3.4 OUTLOOK

2.3.4.1 Improvement of KPIs

In the coming years, CapEx will be incurred in connection with the roadmaps to achieve various climate strategy goals: carbon neutral stores by 2040; carbon neutral e-commerce sites by 2030; a 1.5°C pathway for the Group's direct emissions; a reduction of the Group's energy consumption by up to 200 million euros per year from 2023 to 2026, and the launch of one or more ambitious photovoltaic energy production partnership(s). This climate-related CapEx should help to improve the eligibility and alignment indicators in the years ahead, following an in-depth assessment of the CapEx against the Taxonomy criteria.

2.3.4.2 Integrating the Taxonomy into the Carrefour group's strategy and performance

Although the retail operations are excluded from the list of eligible activities for the time being, the ambition of the Regulation is in line with the philosophy of the new Carrefour 2026 strategic plan, notably through the plan's following initiatives:

- first, stronger support for sustainable agriculture, with 8 billion euros in sales in 2026 via certified sustainable products (40% more than in 2022);
- second, an obligation for the Group's top 100 suppliers to adopt a 1.5°C trajectory by 2026, failing which they will be delisted;
- third, an ambitious energy policy, embodied by a sharp reduction in energy consumption (of 20% by 2026 and in France by 2024) and the use of car parks for the production of photovoltaic energy (4.5 million sq.m. of solar panels by 2026).

APPENDIX: Regulatory templates

SHARE OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – INFORMATION FOR 2023

(in millions of euros)	2023 financial year			Substantial contribution criteria					
Economic activities (1)	Code (2)	Turnover (3)	Share of Turnover, reporting year (4)	Climate change mitiga-tion (5)	Climate change adapta-tion (6)	Water (7)	Pollu-tion (8)	Circular eco-nomy (9)	Bio-diversity (10)
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Collection and transport of non-hazardous waste in source segregated fractions	CCM 5.5	22.22	0.03%	YES	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0.99	0.00%	YES	NO	N/EL	N/EL	N/EL	N/EL
Turnover of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		**23.21**	**0.03%**	**0.03%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Of which enabling		**0.99**	**0.00%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
Of which transitional		**0.00**	**0.00%**	**0.0%**					
A.2. Taxonomy-eligible but not environmentally sustainable activities (Taxonomy-non-aligned)									
Collection and transport of non-hazardous waste in source segregated fractions	CCM 5.5	0.10	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	41.74	0.05%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction of new buildings	CCM 7.1	2.12	0.00%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4 and CCA 7.4	0.01	0.00%	EL	EL	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings	CCM 7.7	61.38	0.07%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Sorting and material recovery of non-hazardous waste	CE 2.7	1.18	0.00%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Sale of second-hand goods	CE 5.4	1.09	0.00%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Turnover of Taxonomy-eligible but not environmentally sustainable activities (Taxonomy-non-aligned) (A.2.)		**107.63**	**0.13%**	**0.13%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**
A. Turnover of Taxonomy-eligible activities (A.1. + A.2.)		130.84	0.16%	0.15%	0.0%	0.0%	0.0%	0.0%	0.0%
TAXONOMY-NON-ELIGIBLE ACTIVITIES									
A. Turnover of Taxonomy-non-eligible activities		**83,138.77**	**99.84%**						
TOTAL (A. + B.)		**83,269.61**	**100.00%**						

Do no significant harm criteria ("DNSH Criteria")

Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Share of Taxonomy -aligned (A.1.) or -eligible (A.2.) Turnover, prior year (18)	Enabling activity category (19)	Transitional activity category (20)
YES	YES	YES	YES	YES	YES	YES	0.1%		
YES	YES	YES	YES	YES	YES	YES	0.0%	E	
YES	YES	YES	YES	YES	YES	YES	0.1%		
YES	**YES**	**YES**	**YES**	**YES**	**YES**	**YES**	**0.0%**	**E**	
YES	**YES**	**YES**	**YES**	**YES**	**YES**	**YES**	**0.0%**		**T**
							0.0%		
							0.1%		
							0.0%		
							0.0%		
							0.1%		
							0.0%		
							0.0%		
							0.2%		
							0.3%		

SHARE OF CAPEX OF PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES — INFORMATION FOR 2023

Reporting year		2023		Substantial contribution criteria					
Economic activities (1)	Code (2)	CapEx (3)	Share of CapEx, reporting year (4)	Climate change mitiga-tion (5)	Climate change adapta-tion (6)	Water (7)	Pollu-tion (8)	Circular eco-nomy (9)	Bio-diversity (10)
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
Collection and transport of non-hazardous waste in source segregated fractions	CCM 5.5	0.87	0.0%	YES	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	37.21	1.1%	YES	NO	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0.13	0.0%	YES	NO	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling the energy performance of buildings	CCM 7.5	32.37	1.0%	YES	NO	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of renewable energy technologies	CCM 7.6	48.59	1.5%	YES	NO	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings	CCM 7.7	59.52	1.8%	YES	N/EL	N/EL	N/EL	N/EL	N/EL
CapEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		178.69	5.4%	5.4%	0%	0%	0%	0%	0%
Of which enabling		118.30	3.6%	3.6%	0%	0%	0%	0%	0%
Of which transitional		0.00	0.0%	0.0%					
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)									
Transport by motorbikes, passenger cars and light commercial vehicles	CCM 6.5	47.55	1.4%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Construction of new buildings	CCM 7.1	131.56	4.0%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Renovation of existing buildings	CCM 7.2	122.82	3.7%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Installation, maintenance and repair of energy efficiency equipment	CCM 7.3 and CCA 7.3	9.37	0.3%	EL	EL	N/EL	N/EL	N/EL	N/EL
Acquisition and ownership of buildings	CCM 7.7	1,380.79	41.8%	EL	N/EL	N/EL	N/EL	N/EL	N/EL
Manufacture, installation and associated services for leakage control technologies enabling leakage reduction and prevention in water supply systems	WTR 1.1	0.10	0.0%	N/EL	N/EL	EL	N/EL	N/EL	N/EL
Manufacturing of electrical and electronic equipment for industrial, professional and consumer use	CE 1.2	14.63	0.4%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
Sorting and material recovery of non-hazardous waste	CE 2.7	0.05	0.0%	N/EL	N/EL	N/EL	N/EL	EL	N/EL
CapEx of Taxonomy-eligible but not environmentally sustainable activities (Taxonomy-non-aligned) (A.2.)		1,706.86	51.7%	51.2%	0%	0%	0%	0%	0%
A. CapEx of Taxonomy-eligible activities (A.1 + A.2)		1,885.55	57.1%	56.6%	0%	0%	0%	0%	0%
B. TAXONOMY-ELIGIBLE AND NON-ELIGIBLE ACTIVITIES									
CapEx of Taxonomy-eligible and non-eligible activities		1,419.05	42.9%						
TOTAL (A. + B.)		**3,304.60**	**100%**						

Do no significant harm criteria ("DNSH Criteria")

Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Share of Taxonomy -aligned (A.1.) or -eligible (A.2.) CapEx, prior year (18)	Enabling activity category (19)	Transitional activity category (20)
YES	YES	YES	YES	YES	YES	YES	0.1%		
YES	YES	YES	YES	YES	YES	YES	0.6%	E	
YES	YES	YES	YES	YES	YES	YES	0.0%	E	
YES	YES	YES	YES	YES	YES	YES	0.1%	E	
YES	YES	YES	YES	YES	YES	YES	0.2%	E	
YES	YES	YES	YES	YES	YES	YES	0.0%		
YES	YES	YES	YES	YES	YES	YES	1.0%		
YES	YES	YES	YES	YES	YES	YES	0.9%	E	
YES	YES	YES	YES	YES	YES	YES	0.0%		T
							0.4%		
							3.7%		
							0.0%		
							1.1%		
							25.5%		
							0.0%		
							0.0%		
							0.0%		
							30.6%		
							31.6%		

SHARE OF OPEX OF PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ALIGNED ECONOMIC ACTIVITIES — INFORMATION FOR 2023

Financial year		**2023**		**Substantial contribution criteria**					
Economic activities (1)	**Code (2)**	**OpEx (3)**	**Share of OpEx, reporting year (4)**	**Climate change mitigation (5)**	**Climate change adaptation (6)**	**Water (7)**	**Pollution (8)**	**Circular economy (9)**	**Biodiversity (10)**
A. TAXONOMY-ELIGIBLE ACTIVITIES									
A.1. Environmentally sustainable activities (Taxonomy-aligned)									
OpEx of environmentally sustainable activities (Taxonomy-aligned) (A.1.)		0	0%						
Of which enabling		0	0%						
Of which transitional		0	0%						
A.2. Taxonomy-eligible but not environmentally sustainable activities (Taxonomy-non-aligned)									
OpEx of Taxonomy-eligible but not environmentally sustainable activities (Taxonomy-non-aligned) (A.2.)		0	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
A. OpEx of Taxonomy-eligible activities (A.1 + A.2)		0	0%	N/EL	N/EL	N/EL	N/EL	N/EL	N/EL
B. TAXONOMY-ELIGIBLE AND NON-ELIGIBLE ACTIVITIES									
OpEx of Taxonomy-eligible and non-eligible activities		900.2	100%						
TOTAL (A. + B.)		**900.2**	**100%**						

Do no significant harm criteria ("DNSH Criteria")

Climate change mitigation (11)	Climate change adaptation (12)	Water (13)	Pollution (14)	Circular economy (15)	Biodiversity (16)	Minimum safeguards (17)	Proportion of Taxonomy -aligned (A.1.) or -eligible (A.2.) OpEx, prior year (18)	Enabling activity category (19)	Transitional activity category (20)
							0%		
							0%	E	
							0%		T
							0%		
							0%		

2.4 Reporting methodology and verification of information

2.4.1 DETAILED REPORTING METHODOLOGY FOR CSR INDICATORS

For the preparation of the 2023 Universal Registration Document, the CSR department mobilises the relevant Group departments (Quality, Human Resources, Legal, Marketing, Assets, Sales and Merchandise, and Logistics) and country representatives.

Principles for drawing up the CSR report

The Carrefour group's Universal Registration Document adheres to the following principles:

- impact and materiality: through a risk mapping exercise, the Group identifies the most significant non-financial risks for its business and the Company, which are reviewed every year and validated by the governance bodies. Only the main risks are presented in this report. The Non-Financial Statement therefore focuses on the most relevant social, economic and environmental issues and risks for the Group's business;
- CSR context: Carrefour places its own performance within the context of the social, economic and environmental constraints that weigh upon the Group, and puts the resulting data into perspective;
- stakeholders' involvement: by maintaining an ongoing dialogue with stakeholders (customers, employees, franchisees, suppliers, local communities and shareholders), the Carrefour group can anticipate and meet the expectations of its target audiences and prevent risks. Its transparent commitments, and the involvement of its stakeholders in carrying them out, mean it can envisage long-term solutions and ensure the engagement of all those concerned. This dialogue and these partnerships are maintained either at the Group level by the CSR department, or at the local level by the countries, banners and stores;
- frequency: since 2001, Carrefour has produced and published a non-financial report every year. Since 2012, it has been integrated into the Group's management report;
- clarity: the Carrefour group endeavours to present information that can be easily understood by the greatest number of people with an appropriate level of detail.

Scope of reporting

Principles applied

Continuous improvement of transparency. As part of an ongoing effort to improve its reporting quality, Carrefour is increasing the number of indicators it reports on from year to year. The goal is to (i) provide information on new strategic priorities, (ii) meet stakeholder expectations and standards and (iii) ensure a high level of transparency to anticipate potential regulatory changes. The new indicators added to this document each year are subject to a three-year performance review to ensure that the information provided is reliable and complete. In 2023, six new indicators were published (8 billion sales of certified sustainable products by 2026, 50 million euros in sales of plant-based proteins by 2026, 150 million euros in bulk and reusable packaging sales by 2026, top 100 suppliers aligned with a 1.5°C trajectory by 2026 and 20 megatonnes of CO_2 emissions avoided by 2030, 2,600 tonnes of sugar and 250 tonnes of salt eliminated from Carrefour-branded products by 2026, an active community of consumers of healthy and sustainable products in every host country). Nine indicators have been published within the last three years, six of which still cover a limited scope.

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Hypermarket	HM
Supermarket	SM
Convenience Store	CO
Cash & Carry	CC
Argentina	AR
Belgium	BE
Brazil Atacadão	BR AT
Brazil BIG	BR BIG
Brazil Carrefour	BR C
Brazil Sams	BR SAMS
Spain	ES
Italy	IT
Poland	PL
Romania	RO

Comprehensiveness. The Group strives to be as comprehensive as possible. Its CSR reporting covers implementation of its policy in the eight integrated countries. All the objectives announced by the Group concern the eight integrated countries, except in certain cases where the scope is explained in this document. The published performance indicators aim for 100% coverage of the integrated countries concerned. With this in mind, we apply a three-year threshold:

- indicators that have been published for three years or more should be published with a 100% coverage rate. Lower coverage rates are an irregularity and are subject to an immediate corrective action plan with the country in question;
- the new indicators are published starting from the first year to ensure transparency. A performance review is implemented to achieve 100% coverage within three years. Since the action plans are rolled out across the operating countries on a gradual basis, the new indicators may be published for a limited scope during the first two years.

Indicators published less than three years ago are marked with the symbol ** in this chapter.

Scope of indicators published as a % of consolidated net sales. This information provides an indication of the representativeness (comprehensiveness) of the data reported. It is calculated by comparing the sales of consolidated countries with the sales of all countries covered by the indicator.

Franchises. Franchised stores are not included in the "stores" indicators (see below). Sales of products by franchised stores in the eight countries in which the Group operates are taken into account in the "merchandise" indicators (see below). The headcount and human resources indicators only take into account the Group's own employees (the employees of franchisees are not included in the reporting scope).

Comparability. When the scope of reporting is not exhaustive, the scope is clearly explained next to each graph and Business Units (BUs) excluded from the scope are indicated. For figures and changes presented over several years, the report indicates that calculations are based on comparable BUs. If non-comparable BUs are included in the calculation, the items included or excluded compared to the previous year are specified.

Scope of environmental and social indicators

Change of scope

In 2022, following the disposal of the Taiwanese activities, the Business Unit was removed from the reporting scope, which now consists of eight integrated countries. In order to have a comparable scope between 2022 and 2021, the 2021 data and objectives have been restated with the exclusion of Taiwan. This principle was also applied to past years that were used as reference years for some indicators. For example, for the climate indicator "Percentage reduction in Scope 1 and Scope 2 GHG emissions since 2019", the 2019 data was calculated excluding Taiwan.

Conversely, following the completion of the integration of Grupo BIG into the Carrefour group during 2022, BIG will be included in the scope of consolidation in 2023. Work has been undertaken to recalculate the baseline for the Food Waste (baseline: 2016) and Climate Scope 1 and 2 indicators (baseline: 2019).

Store indicators (waste management, food waste, greenhouse gas emissions, water)

The scope covers all integrated stores open and operating under a Group banner for the entire reporting period. The scope excludes consumption related to non-Group activities, transport of people, warehouses, franchised stores, head offices and other administrative offices. For some indicators, warehouses are included, in which case this is specified with a note under the tables of indicators (example: food waste). Any BUs that were sold or closed during the reporting period are not included.

For indicators on indirect purchases (e.g., sales and marketing publications), the consumption level of stores opened during the year, as well as that of franchised stores may be included.

The number of square metres of sales area includes all stores open during the entire reporting period and does not include storage areas, food preparation areas or the adjacent shopping mall, if applicable.

The same rules regarding scope and environmental indicators apply to Installations Classified for the Protection of the Environment (ICPE) coming under the regulations of stores and other sites.

COVERAGE RATE AND EXCLUSIONS FROM STORES INDICATORS

*Indicators published less than three years ago are marked with the symbol ** in this chapter.*

Indicators	2023 scope *(% of gross sales)*	2023 exclusions	2022 scope *(% of gross sales)*	2021 scope *(% of gross sales)*
Energy	100%	-	99.5%	100%
Water	100%	-	100%	100%
Food waste				
■ Baseline 2016	72%	BE, BR AT, BR SAMS	70.9%	88.4%
■ Baseline 2022	76%	BR AT, BR SAMS	*New*	*New*
Waste	97%	IT (SM, CO, CC)	95.2%	94%
Refrigerants	100%	-	77%	82.9%
Outbound transport	69%	BR	77%	82.5%
Climate (Scope 3) – Top 100 suppliers**	100%	-		
Climate (Scope 3) – 20 megatonnes**	100%	-		

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Merchandise indicators (organic products, Carrefour Quality Lines, sustainable fishing, sustainable forest management, textiles, packaging, animal welfare)

The scope covers products sold under the Group banner, without distinguishing between franchises, integrated stores or formats (stores, drives, online purchasing).

- Regarding the organic product sales indicators, total food sales only include sales by physical store or e-commerce specialists (e.g., Bio C Bon, So Bio).
- Regarding the textile indicators, they are reported by the purchasing centres (including, for example, the Global Sourcing purchasing centre).
- The tonnes of packaging avoided indicator is calculated based on the quantities of packaging purchased as reported by the purchasing centres (including, for example, the Global Sourcing purchasing centre), with the exception of Brazil which calculates the indicator based on the quantities of packaging sold.

COVERAGE RATE AND EXCLUSIONS FROM MERCHANDISE INDICATORS

*Indicators published less than three years ago are marked with the symbol ** in this chapter.*

Indicators	2023 scope *(% of gross sales)*	2023 exclusions	2022 scope *(% of gross sales)*	2021 scope *(% of gross sales)*
Organic products	99.8%	BR SAMS	100%	100%
Carrefour Quality Lines	100%	-	100%	100%
Sustainable fishing(1)	98%	BR AT, BR SAMS	95%	100%
Responsible textile**	100%		100%	100%
Responsible products – ecolabels**	95%	BR	81%	100%
Plant-based alternatives**	100%	-		
Deforestation – wood/paper/pulp	100%	-	100%	100%
Deforestation – palm oil	100%	-	94%	100%
Deforestation – beef	100.0% (BR C, BR & BRAT, SAMS)		100.0% (BR & BRAT)	100.0% (BR & BRAT)
Deforestation – soy**	95%	BR C	83%	54.3%
Deforestation – cocoa**	100%	Includes FR, BE, IT, ES only	100%	100%
Carrefour Quality Lines committed to an agroecological approach**	91%	BR C, PL	100%	100%
Partner producers	95%	BR	100%	100%
Animal welfare – shell eggs	99.7%	BR, SAMS	100%	100%
Animal welfare – egg ingredients	100%	Includes Europe only	100%	100%
Animal welfare – chickens	87%	BR C, AR	100%	100%
Animal welfare – slaughterhouses	100%	-	100%	91.7%
Animal welfare – pigs**	63%	FR		
Animal welfare – horses**	100%			
Animal welfare – rabbits and quail**	100%			
Animal welfare – transparency**	96%	BR C		
Packaging – tonnes	100%	-	100%	100%
Packaging – recyclable, reusable and compostable	100%	-	71%	54.3%
Packaging – bulk products and reusable **	97%	BR, PL		

(1) The Sustainable Fishing indicator excludes MSC, ASC, Organic and FQC.

HR indicators

The scope covers all of the Group's BUs and headquarters. Any BUs that were sold or closed during the reporting period are not included. The Non-Financial Statement presented in this chapter encompasses Carrefour Banque and Carrefour Property Development, both of which are covered by Carrefour SA (the parent company).

COVERAGE RATE AND EXCLUSIONS FROM HUMAN RESOURCES INDICATORS

*Indicators published less than three years ago are marked with the symbol ** in this chapter*

Indicators	2023 scope *(% of gross sales)*	2023 exclusions	2022 scope *(% of gross sales)*	2021 scope *(% of gross sales)*
Headcount	100%	-	100%	100%
Part-time employees	100%	-	100%	100%
Hires (fixed-term/permanent)	100%	-	100%	100%
Permanent employee turnover	100%	-	100%	100%
Accidents	89.6%	BRAT & BR	86%	89.6%
Women managers	100%	-	100%	100%
Disabled workers	100%	-	100%	100%
Training	100%	-	100%	100%

CSR indicators

Principles applied

CSR reporting adheres to the following principles:

- **accuracy:** the Carrefour group strives to ensure the accuracy of published data by stepping up the number of manual and automatic internal controls;
- **comparability:** the Group strives to maintain consistency throughout its reports. Figures presented for several years apply the same definition.

Choice of indicators

Since 2003, Carrefour has used indicators associated with its strategic priorities for CSR. These indicators, which are revised over the years, are designed to monitor the commitments and progress made in terms of its environmental and social performance. Each indicator is chosen for its relevance to risks and societal challenges identified by the Group and with regard to its CSR policies. In 2021, the Group revised the CSR index and drafted purchasing rules on its priority environmental and social topics. Following this work, new indicators were defined. In 2023, the index was revised again in line with the new Carrefour 2026 strategic plan.

References used

The information detailed in this section 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. Carrefour SA's Non-Financial Statement notably covers Carrefour Banque, with risks relating to the banking sector integrated into the risk analysis presented in Section 2.1.

The information contained in Section 2.2 meets the requirements provided for by French law no. 2017-399 of March 27, 2017 with regard to the duty of care of parent companies and contracting companies (also called the duty of care law), namely: risk mapping, procedures for regularly assessing the situation of subsidiaries, subcontractors and suppliers with which the Group has an established commercial relationship, appropriate actions to mitigate risks or prevent serious harm, a whistleblowing and alert system, as well as a system for tracking the measures implemented and evaluating their effectiveness.

Section 2.3 of this document is provided in response to (EU) Regulation 2020/852 of the European Parliament and of the Council of June 18, 2020 on the establishment of a framework to promote sustainable investments. The latter establishes criteria to distinguish "green" investments from other investments, in a totally transparent manner.

The 2022 Universal Registration Document adheres to the guidelines of the main international standards of reference, in particular the Sustainability Accounting Standards Board (SASB), the Task Force on Climate Disclosure (TCFD) and the Global Reporting Initiative (GRI), the guiding principles of the OECD and the Global Compact's recommendations for "Communication on Progress" (CoP). Carrefour's CoP is published yearly on the United Nations website (*https://www.unglobalcompact.org/*) and has been certified as "Advanced" (since 2014) following a peer review under the aegis of Global Compact France.

A CSR reporting manual stipulating the Group's collection, calculation and consolidation rules is updated each reporting period and distributed to all CSR reporting managers.

Methodology: specificities and limitations

Some indicators may have methodology constraints arising from a lack of uniformity between national and international laws and definitions (e.g., regarding work-related accidents) and/or from the qualitative, and therefore subjective, nature of certain data (e.g., indicators linked to purchasing quality, the logistics process, stakeholders and consumer awareness).

In some cases, KPIs may involve an estimation (as with the energy and water consumption indicators, which are calculated on the amount billed at an average price per kWh or cubic metre). If necessary, BUs are required to specify and justify the relevance of assumptions used in making estimates. Estimation methodologies are regulated by the Group's non-financial reporting manual.

CO_2 emission factors

Emission factors are used to calculate CO_2 emissions based on site energy consumption, refrigerant consumption, and fuel consumption for downstream transport. The emission factors in question are suggested by international organisations such as the DEFRA GHG Conversion Factors, the Intergovernmental Panel on Climate Change (IPCC), and the United Nations Environment Programme (UNEP). The indicators concerned are energy, refrigerants and logistics. BUs may also use specific national indicators.

Electricity: to calculate the CO_2 emission equivalent caused by the consumption of electrical energy, the emission factor from the local energy supplier is ideally used (market-based method). In the absence of such a value, a default value is used that is based on the most recent data provided by:

- the AIB's European residual mix for European countries;
- the Ministry of Science, Technology and Innovation of Brazil for Brazil;
- the report on climate transparency, based on CAMMESA data, for Argentina.

Natural gas: to calculate the CO_2 emission equivalent caused by the consumption of natural gas, the emission factor provided by DEFRA – UK Government GHG Conversion Factors for Company Reporting is used: 2022 = 0.18397 $kgCO_2e/kWh$ (gross CV).

LPG: to calculate the CO_2 emission equivalent caused by the consumption of LPG, the emission factor provided by DEFRA – UK Government GHG Conversion Factors for Company Reporting is used: 2022 = 0.21449 $kgCO_2e/kWh$ (gross CV).

Fuel: to calculate the CO_2 emission equivalent caused by the consumption of fuel, the emission factor provided by DEFRA – UK Government GHG Conversion Factors for Company Reporting is used: 2022 = 2.7586 $kgCO_2e$/litre (gross CV medium gas oil).

Refrigerants: to calculate the CO_2 emission equivalent caused by the consumption of refrigerants, the global warming potential of the refrigerants (GWP 100 years) is used, which is published in the fifth evaluative report of the IPCC, "Climate Change 2013: The Physical Science Basis" Appendix 8.a (notwithstanding certain "natural" refrigerants, for which the PRG 100 years is taken from UNEP Ozonaction, and a value of 4 PRG 100 years is used for Isopentane).

Fuel used for transport: to calculate the CO_2 emission equivalent caused by Carrefour's logistics, the national emission factors recorded locally are used. Failing that, a default value based on the most recent data provided by DEFRA – UK Government GHG Conversion Factors for Company Reporting is used instead as follows (2022 conversion factors):

- for diesel consumption: 2.70553 $kgCO_2e$/litre (100% mineral diesel);
- for biofuel consumption:
  - (i) biodiesel: 0.16751 $kgCO_2e$/litre,
  - (ii) bioethanol: 0.00901 $kgCO_2e$/litre,
  - (iii) biomethane: 0.10625 $kgCO_2e/GJ$,
  - (iv) BioGNC: 0.61 $kgCO_2e/kg$;
- for rail transport: 0.02782 $kgCO_2e$/tonne.km;
- for river transport: 0.03681 $kgCO_2e$/tonne.km (load capacity up to 999 TEU).

Environmental information

Logistics KPI: CO_2 emissions from the Group's logistics activity includes CO_2 emissions from downstream road transport. This indicator counts CO_2 emissions related to the transport of goods between warehouses and stores. The following CO_2 emissions are not taken into account:

- emissions generated during the upstream transport of goods to the warehouse;
- emissions generated by direct deliveries (direct "producer-to-store" transport of goods without going through a warehouse);
- emissions generated by customer and employee journeys;
- emissions generated by downstream maritime transport.

Note that "store/warehouse" return trips are only taken into account for fleets hired for Carrefour's exclusive use.

In the vast majority of cases, CO_2 emissions related to the transport of goods are calculated on the basis of distance travelled since there is no actual data on service providers' fuel consumption and average consumption by type of vehicle.

Pallets (transport units) used for backhauling are not included in the total number of pallets used in downstream transport.

Energy KPI: the quantity of energy reported corresponds to the quantity purchased and not the quantity actually consumed for heating oil and gas (15% of the energy consumed by the stores).

Water KPI: the quantity of water reported corresponds mainly to the quantity of water purchased. Depending on the country, water collected by some stores through drilling may not be counted when there is no charge for its withdrawal. In addition, in some cases, there is an insignificant overvaluation of consumption (consumption of water for the shopping centre, costs related to and indissociable from the costs of water consumption).

Refrigerants KPI: any leaks that may have occurred prior to a change of equipment are not quantified in the reporting. They correspond to emissions generated between the last maintenance operation and replacement of the unit. The impact is insignificant at Group level thanks to both regular monitoring of the units and the staggered timetable for their replacement. Note that mass balances are not systematically carried out each time the fluid is reloaded or at year-end. Some BUs purchase and store refrigerants in advance and may include refrigerants still stored in containers in consumption figures for the year of purchase.

Waste KPI: the chosen reporting scope includes BUs that use waste collection companies which provide information about the tonnage of waste removed. Generally speaking, when waste is collected directly by local authorities, information is not available (the case at present in Spain, Italy and France). The tonnages of waste evacuated by local authorities can therefore be estimated using an estimation methodology approved by the Group. Supermarkets in Italy are excluded from the reporting scope because more than 90% of waste is collected by local municipalities and therefore this data cannot be estimated reliably.

Food waste KPI: To monitor the reduction in food waste, Carrefour has decided to publish as an indicator the percent reduction in food waste intensity in a given year compared to 2016 (in kg/sq.m.). The food waste intensity ratio corresponds to quantity of food waste (in kg) divided by surface area (in sq.m.). The surface areas used for the calculation are sales areas.

In 2023, Carrefour changed the definition of food waste to take into account the definition recommended by ADEME (*Agence de la transition écologique – Bilan du GT 1 du Pacte National de Lutte contre le Gaspillage Alimentaire*, 2019) which considers food waste to be: "All food intended for human consumption that is lost, thrown away or spoiled, regardless of its value". In Carrefour stores, food waste corresponds to the known amount by which foods are marked down. Biowaste recovered for energy or animal feed is now considered to be food waste.

This change in definition means changing the way this indicator is calculated and restating historical data.

Depending on the country, there are two possible methods for monitoring the indicator:

(i) monitoring food markdowns directly in tonnes (Spain and Argentina);

(ii) monitoring food markdowns in monetary units (euros, etc.) and then converting them into tonne equivalents (see below). The Group uses a euro/tonne conversion factor, calculated annually on the basis of data for Spain. This conversion factor is calculated per format and adjusted for annual inflation per country. In 2023, this method was used for all countries except Spain and Argentina. Its use is provisional. All countries are working to improve the reliability of markdown monitoring in tonnes.

In order to restate 2016 historical data in line with the new definition, the method used for making estimates is as follows:

(i) food waste intensity ratio calculated according to the old method/Intensity ratio calculated according to the new method (for 2021 and 2022);

(ii) average of the ratios calculated over 2021 and 2022;

(iii) average waste intensity for 2016 applied, calculated according to the old method.

This method was used accordingly to recalculate the 2016 baseline data to reflect the impact of the change in definition of food waste. The average difference between the new and old methodologies is -22%, reflecting the exclusion of energy recovery (anaerobic digestion) and the increased reliability of data on the reasons for markdowns.

Note that data for Belgium, Atacadão in Brazil and Sam's Club in Brazil are not available for the 2016 baseline. As such, they are not included in the reduction indicator with the 2016 baseline, but are however taken into account when calculating reductions in food waste with a 2022 baseline.

Food donations KPI: the ratio used to calculate the number of meal equivalents donated to food aid associations in all Group countries is 1 meal = 500g.

Top 100: Carrefour's Top 100 suppliers must commit to a 1.5°C trajectory to reduce their carbon emissions. In 2023, the Top 100 included 96 suppliers. From 2024, this monitoring will be extended to an increasing number of suppliers

Product information

Number of listed organic Carrefour food products: the number of listed organic products reported pertains to the number of organic products labelled by outside third parties found among retailer-branded products whose sales during the year were not zero. The number of Group listed products corresponds to the number of listed Carrefour Bio organic products sold by the Group.

Number of Carrefour Quality Lines products: the calculation methodology was adjusted in 2019. The number of CQL products corresponds to the sum of all products in the assortment that customers can identify throughout the year as being offered under the CQL programme. The following rules apply: a given product packaged in different ways is only counted once; in the meat and fish sections, a given product presented in different cuts is only counted once; if the offering is segmented by breed or variety, that breed or variety corresponds to one product.

Certified sustainable products: certified sustainable products claim a verified link with environmental and/or social protection. This category includes organic food and non-food products, products from Carrefour Quality Lines, responsible fishing, responsible wood and paper, responsible textiles (recycled, cashmere, wool and viscose) and European Ecolabel products.

Plant Based: plant proteins are all products that are direct substitutes for products whose main ingredients are derived from animal products, other vegetarian or vegan products identified by a specific brand (e.g., Carrefour Veggie), label or certification (Veggie, Vegan), or whose packaging refers to it, and finally all pulses (legumes with seeds that are edible for humans) or vegetarian processed products with at least 50% pulses (e.g., hummus)

Carrefour Quality Lines committed to an agroecological approach: this indicator was reported for the first time in 2022 for France only. The reporting methodology is being rolled out in other countries. A Carrefour Quality Line is considered to be committed to an agroecological approach if all of the suppliers in the line are committed. A Carrefour Quality Line supplier is considered to be committed to an agroecological approach if at least one pilot producer using an agroecological approach is included. An agroecological line features a specific message for customers, "cultivated without -ides". It commits suppliers not only to eliminating all or part of the synthetic pesticides used in cultivation, but also to working on soil conservation and biodiversity.

Sustainable fishing: sustainable fishing products identified as "responsible" are as follows: ASC (Aquaculture Stewardship Council) products, MSC (Marine Stewardship Council) products, organic products, Carrefour Quality Line products, Green List species (responsible species), products from a sustainable fishing/responsible farming approach whose credibility is confirmed by stakeholders and validated by the Group CSR Department, products from fisheries that have implemented a Fisheries Improvement Project (FIP) assessed as credible (tuna excluded) in Annex 7. For tinned tuna, the sustainability criteria are listed in Annex 6 (MSC without fish aggregation devices and caught with pole and line).

Sustainable agriculture: Carrefour's strategy for developing sustainable agriculture is based on two pillars: the development of its organic range and the development of agroecology through its Carrefour Quality Lines.

Soy: this indicator concerns soy contained in unprocessed fresh and frozen products (excluding deli meats) in the following categories: chicken, turkey, pork, beef, veal, lamb, salmon, eggs, milk and minced meat. It is a means indicator, based on a contractual commitment made by the supplier.

Sustainable soy: soy certified deforestation-free with full traceability. Carrefour recognises the Proterra, RTRS at the segregated level at least, Danau Soy and Europe Soy certifications. Soy from local, non-deforested production (e.g., Sojalim suppliers in France, local soy production in Europe, etc.). Soy from a region where there is no risk of deforestation (see food transition purchasing rules). Soy from a high-risk region where a progress plan has been contracted with producers through a field project, such as the Cerrado Compensation Mechanism, and validated by stakeholders.

Palm oil: Carrefour guarantees that 100% of its palm oil supplies comply with its Responsible Forestry commitments (i.e., POIG, RSPO IP, RSPO Segregated or RSPO Mass Balance). Palm oil derivatives used in household, perfume and hygiene products are excluded from the scope.

Sustainable cocoa: cocoa paste is sustainable if it is certified (see list of accepted certifications/labels below) or if its trader is evaluated by the Retailer Cocoa Collaboration (RCC) and scores more than 80% (the score is provided by the Group).

List of accepted certifications/labels with full traceability (at least segregated): Fairtrade – Max Havelaar (Sustainable); UTZ – Rainforest minima SG (Sustainable); Symbol of Peasant Producers (Sustainable); World Fair Trade Organization (Sustainable); Transparence Cacao (Sustainable); Cocoa Horizon (Sustainable); Fair for Life (Sustainable).

Brazilian beef: the percentage of geo-referenced Brazilian beef is calculated using the number of tier 2 geo-referenced suppliers. The tier 2 suppliers correspond to farms that supply the slaughterhouses.

Traders: a trader is an upstream player in Carrefour's value chain who negotiates the purchase and sale of agricultural raw materials.

Suppliers – Food Transition Pact: there is an international Food Transition Pact and national pacts. National pacts were launched in France, Spain, Belgium, Poland and Romania in 2021 and in Italy in 2022. A supplier may operate in several countries, for example through different subsidiaries. It may appear in several Pacts where separate partnerships are involved.

The Food Transition Pact is a reciprocal commitment between Carrefour and partner suppliers committed to the food transition for all.

Through this pact, suppliers undertake to take part in four webinars during the year, and also to participate in working groups (coalitions) created to accelerate the company's transformation. There are four of these coalitions. Their aim is to propose practical initiatives to be rolled out in stores and aimed at customers.

A supplier can only participate in one coalition, which meets approximately every six weeks.

Customer community: a customer community is a group of engaged consumers who can exchange ideas, share initiatives identified in-store (Carrefour and competitors), monitor food transition issues and within which we can communicate our initiatives, collect consumer expectations and feedback.

This community meets in several ways:

- weekly meetings to share information;
- monthly meetings with suppliers;
- physical events (twice a year);
- conversation thread on WhatsApp.

Animal welfare – slaughterhouse audits: animal welfare audits are performed in the case of lambs, cattle, hogs, calves and poultry. Slaughterhouse audits can be performed either (i) by Carrefour Quality managers trained in animal welfare issues, based on a Group checklist of animal welfare criteria, or (ii) by a third-party organisation, based on animal welfare certification standards or the Group checklist.

Transparency: number of species for which a system is in place to inform consumers about farming methods. The species concerned are veal, pork, beef (meat), beef (milk), eggs and chicken.

Packaging: Carrefour intends to reduce the amount of packaging it uses by 20,000 tonnes, including at least 15,000 tonnes of plastic, by 2025. For Carrefour, the elimination of plastic packaging is a priority when calculating this indicator. Carrefour is also committed to eliminating single-use plastics, as recommended by the EU's Directive on single-use plastics (https://eur-lex.europa.eu/eli/dir/2019/904/oj). The weight of packaging avoided is calculated based on the weight of plastic removed in the new packaging compared with the old packaging, or the difference between the weight before and after packaging for other materials.

Partner producers: this indicator shows the number of partner producers (or suppliers where producer traceability is not available) with which Carrefour has a specific contract. Carrefour lists its partner producers in Organic Farming, Carrefour Quality Lines, its regional partner producers, its local partner producers and partner producers from other collective initiatives. Several criteria must be met, depending on the type of partnership:

- Organic Farming partner producers: multi-year contract or with tacit renewal, commitment on volumes and purchase price reflecting production needs and constraints, specific support during the conversion period. At least one of these criteria must be met.
- Carrefour Quality Line partner producers: multi-year contract or with tacit renewal, commitment on volumes and purchase price reflecting production needs and constraints, price commitment guaranteeing fair remuneration for the producer. At least one of these criteria must be met.
- Regional partner producers: they must be located in the same administrative region as the place of sale of the product, and production must also take place in the same administrative region; delivery must be direct between the producer and the store or via a warehouse; the contract must guarantee a fair price to the producer; the region of origin must be visible and easily identifiable by the customer.
- Local partner producers: they must be geolocated within a short distance of the plaee where their products are sold. Referencing can be done directly by the store without going through the central purchasing unit. The contract with the local partner producer guarantees the producer a fair price, a simplified contract and short payment terms. Finally, the product is known locally and sold in a dedicated space in the store.
- Partner producers of other collective approaches: the partner must respect the specifications of a sustainable agricultural production method covered by an official quality label, a quality label covered by local legislation or possibly a private label whose specifications are public and controlled by an independent inspection body. It must also respect at least two of the following criteria: volume commitment, price commitment guaranteeing fair remuneration for the producer, or multi-year contract or tacit renewal.

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Customer information

Customer research is carried out in all the Group's countries and formats by an internal Carrefour group research unit, present in all countries. These studies are carried out monthly on representative customer sample groups.

Act for Food: the indicator tracks the percentage of consumers answering yes to the following question: "Does Carrefour help you eat healthy and responsible food?" This question was updated in September 2023. Therefore, exceptionally in 2023, the results will cover four months (September to December) rather than a full year. Full-year results will be reported from 2024. The results come from a consumer panel survey. The results are averaged in proportion to the responses obtained on sales by format/country. In 2023 the scope corresponds to 99% of consolidated sales, excluding Supermarkets in Poland.

Nutrition: the indicator tracks the reduction of salt and sugar content in Carrefour-branded products. Reductions relating to a recipe reformulation are only recorded in the year Y in which the recipe was reformulated. This means that all volumes for year Y are taken into account when calculating the reduction for year Y, regardless of the date of reformulation. Savings recorded locally in salt and sugar thanks to products imported from France are deliberately reduced by approximately 40%.

Human resources information

Gender equality: Executive Directors are a new job category created in 2021 from among the Senior Directors and make up the Group's Top 200. This indicator tracks the percentage of women in the Group's Top 200.

Training: this indicator takes into account the average number of employees who have completed at least four hours of training during the year as a proportion of the average group workforce.

Disability: number of employees with a disability recognised in accordance with the legislation in force in each country, as a proportion of the total workforce.

Headcount at the end of the period: all Company personnel with an employment contract (excluding interns, international trainees, temporary workers and people on suspended contracts) on December 31.

Work-related accidents: since 2020, the frequency and severity rates are calculated by the number of hours actually worked (and no longer by theoretical hours).

Hiring: Belgium student contract hires are not taken into account.

Limitations linked to current legislation: the definition of certain indicators (work-related accidents and employees declared as disabled workers) is defined by the laws in effect in each country, which may cause discrepancies in the method used.

Methodology used for estimating Scope 3 emissions:

Scope 3 categories	Calculation methodology	Details of scope
Purchases of goods and services	Food: emission calculations begin with France. Within this scope, it is possible to determine the tonnage of products as well as the corresponding sales figures excluding VAT (€) for 53 food categories. Combined with this base, the use of Agribalyse emission factors (agricultural, processing and packaging stages) gives the carbon footprint for France for these 53 product categories. These results are then used to determine monetary emission factors for the 53 food categories. This new base of emission factors, adjusted by country on the basis of purchasing power parity, makes it possible to calculate the carbon footprint of all of the Group's countries of operation (Brazil, Spain, Belgium, Italy, Romania, Argentina, Poland). Non-food: emission calculations begin with France. For this scope, data is provided in units sold, linked to net sales (€), for 45 categories. Combined with this base, the use of emission factors from the ADEME carbon footprint database (excluding transport) makes it possible to obtain the carbon footprint for France for these 45 product categories. These results are then used to determine monetary emission factors for the 45 product categories. This new base of emission factors, adjusted by country on the basis of purchasing power parity, makes it possible to calculate the carbon footprint of all of the Group's countries of operation (Brazil, Spain, Belgium, Italy, Romania, Argentina, Poland).	All products sold under a Group banner (integrated and franchised stores) in the eight countries where the Group operates are included in the Group's carbon footprint. This scope represents 83% of all sales areas under Group banners worldwide. Products sold by international partners are excluded, and represent 17% of sales areas under Group banners worldwide.

Scope 3 categories	Calculation methodology	Details of scope
Purchases of fixed assets	Emissions are calculated on the basis of total operational investments, associated with ADEME monetary emission factors.	Franchises not applicable.
Upstream energy emissions	Emissions are calculated on the basis of the Group's energy consumption associated with the upstream and line loss components of the ADEME energy emission factors.	Energy consumption only includes integrated stores in the eight countries where the Group operates. Integrated stores account for 66% of sales areas worldwide.
Inbound transport	Food: emissions are calculated on the basis of data covering purchases of goods and services (in volume where possible, otherwise in euros of sales) associated with the "Inbound Transport" part of the Agribalyse emission factors. Non-food: emissions are calculated on the basis of data covering purchases of goods and services (in units sold) associated with the "Inbound transport" part of the emission factors in the ADEME carbon footprint database.	All products sold under a Group banner (integrated and franchised stores) in the eight countries where the Group operates are included in the Group's carbon footprint. This scope represents 73% of all sales areas under Group banners worldwide. Products sold by international partners are excluded, and represent 17% of sales areas under Group banners worldwide.
Waste generated during operations	Emissions are calculated using data concerning waste generated during operations at the global level, associated with emission factors from the ADEME carbon footprint database corresponding to the different types of waste and Ecoinvent 3.4 (other waste).	Waste generated by the business only includes integrated stores in the eight countries where the Group operates. Integrated stores account for 66% of sales areas worldwide.
Employee commuting	Emissions are calculated using the number of employees worldwide combined with an ADEME emission factor for commuting.	Franchises not applicable.
Business travel	Emissions are provided by the agency responsible for business travel in France. These emissions are then extrapolated to the global scope via sales.	Business travel for franchise stores and international partners is not included.
Outbound transport	This data is calculated by means of operational reporting carried out in all of the Group's countries. Outbound transport data is calculated using operational data for the entire Group. Data on litres consumed (L) OR, failing that, data on distances travelled (km) x national emission factor or one provided by the transport supplier or, failing that, DEFRA (Department for Environment, Food & Rural Affairs – UK) standard emission factors.	All products sold under a Group banner (integrated and franchised stores) in the eight countries where the Group operates are included in the Group's carbon footprint. This scope represents 73% of all sales areas under Group banners worldwide. Products sold by international partners are excluded, and represent 17% of sales areas under Group banners worldwide.
Use of products sold – Fuels	Data is calculated for France by combining the volumes sold by fuel type with the ADEME emission factor corresponding to the fuel type. Emissions are then extrapolated to the global level via sales per country per fuel type.	All petrol stations operated under the Carrefour banner in the eight countries where the Group operates directly are included. This scope represents 73% of all sales areas under Group banners worldwide. It does not include the stations of international partners, which represent 17% of the total retail sales area worldwide.
Use of products sold – Other	Travel agency: emissions are calculated using Carrefour travel agency sales in France combined with an ADEME monetary emission factor for air travel. Use of home equipment: emissions are calculated using net sales, broken down into 14 categories. Each category (e.g., camera, speaker, refrigerator) is associated with an average lifespan in years and an average consumption, making it possible to calculate total consumption over the lifespan. This consumption is linked to ADEME emission factors for energy consumption.	All products sold under a Group banner (integrated and franchised stores) in the eight countries where the Group operates are included in the Group's carbon footprint. This scope represents 73% of all sales areas under Group banners worldwide. It does not include products sold by international partners, which represent 17% of sales areas under Group banners worldwide.

Scope 3 categories	Calculation methodology	Details of scope
End of life of products sold	Packaging and home equipment placed on the market: emissions are first calculated for the France 2022 scope using the CITEO declaration, for which packaging quantities are associated with emission factors from the ADEME carbon footprint database by packaging type. These emissions are then extrapolated to the French scope using net sales in 2021, 2020 and 2019, and then to the global scope. Food waste: a quantity of food waste is calculated for the French scope using data on purchases of goods and services combined with UN data on household food waste. These tonnages are then associated with an emission factor from the ADEME database (putrescible waste) and then extrapolated globally based on net sales.	All products sold under a Group banner (integrated and franchised stores) in the eight countries where the Group operates are included in the Group's carbon footprint. This scope represents 73% of all sales areas under Group banners worldwide. It does not include products sold by international partners, which represent 17% of sales areas under Group banners worldwide.
Downstream leasing	Emissions are calculated on the basis of the surface area leased by Carrefour combined with the group's Scopes 1 and 2 on the square metres occupied by the Group.	Franchises not applicable.
Franchises	Emissions are calculated by cross-referencing the franchised surface area, the non-franchised surface area and the Group's Scope 1 and 2 emissions.	Scope 1 and 2 emissions (energy and refrigerant consumption) are taken into account for all stores under a Group banner in the eight countries in which it operates. International partner stores are also included. 100% of all sales areas under Group banners worldwide are covered.
Investments	Emissions are calculated using Carrefour Life Insurance data combined with an ADEME monetary emissions factor.	Franchises not applicable.

Methods of data collection, consolidation and control

Reporting period

Reporting is conducted on a quarterly basis. Reporting is carried out once a year for the Universal Registration Document submitted to the Board of Directors for approval.

Starting in 2012, to meet the requirements of Article 225 of France's Grenelle II law, the indicators corresponding to stores, merchandise and logistics were calculated over a 12-month, year-on-year period running from October to September.

Since 2019, to ensure greater collaboration within the Group, all indicators corresponding to stores, merchandise and logistics are now calculated over a 12-month period running from January 1 to December 31.

In order to make reporting more efficient and precise, the environmental Key Performance Indicators integrated in the CSR and Food Transition Index have been calculated on a three-month basis (per trimester) since 2020.

The period used for annual reporting is the calendar year (January 1 to December 31), without modifying the data for previous years.

Data collection methods

The system in place is based on dual information reporting that allows for collection of qualitative and quantitative data from the various countries and banners. From a qualitative point of view, the best practices implemented in Group host countries are reported through personalised interviews (in person if possible, by videoconference if not), or by e-mail.

From a quantitative point of view, the reporting and consolidation of Key Performance Indicators has been carried out since 2014 using the BFC application. In 2022, the Group implemented a new EPM Cloud application for reporting environmental indicators. This application is used in conjunction with the one used by the Group for financial consolidation and reporting. Customer indicators are taken from the Group's consumer opinion review platform.

Key social performance indicators are reported through the Group's Human Resources reporting tool. Reporting liaisons identified in each country are responsible for coordinating environmental and social reporting for their respective countries.

Environmental data control methods

The EPM Cloud reporting application features automatic consistency checks to prevent data entry errors. It also allows users to insert explanatory comments, which makes auditing and internal control easier. Each reporting manager verifies the data entered before it is consolidated at Group level, with the help of a checklist and control tips that are explained in the definition sheet for each indicator. The Group's CSR department carries out a second level of data control. Inconsistencies and errors that are found are reviewed together with the countries and corrected as needed.

Social data control methods

Social data are locally checked before being entered in the Group human resources tool. The Group's Human Resources department carries out a second level of data control. Inconsistencies and errors that are found are reviewed together with the countries and corrected as needed.

CSR and Food Transition Index

Composition of the CSR and Food Transition Index

The CSR and Food Transition index, introduced in 2018, assesses Carrefour's performance in implementing CSR commitments. It is monitored quarterly and published twice a year. This index covers four categories: (i) procurement and product design, (ii) site operations, (iii) customer involvement and satisfaction with the food transition and (iv) human resource management and employee engagement. Each of these categories is associated with several quantitative objectives and deadlines.

Topic	Indicators	Unit	Scope of the objectives
Products			
Certified sustainable products	8 billion euros in sales of certified sustainable products by 2026	In thousands of euros	Controlled and national-brand products. 8 integrated countries, sales generated under banners (integrated and franchised stores).
Food transition	500 million euros in sales of plant-based proteins by 2026	in thousands of euros	Controlled and national-brand food products Integrated countries in Europe, sales generated under banners (integrated and franchised stores).
Raw materials(1)	100% of sensitive products with regard to forests, animal welfare, soils, marine resources and human rights covered by a risk mitigation plan by 2030	%	8 integrated countries, sales generated under banners (integrated and franchised stores).
Packaging	Three Carrefour targets on packaging reduction, bulk and reuse, and packaging recyclability implemented by 2026		
Packaging – 1	100% reusable, recyclable or compostable packaging in 2025	%	Carrefour-branded products. Excluding discount (Simpl), no-name products and own-brand Lighting products 8 integrated countries, sales generated under banners (integrated and franchised stores).
Packaging – 2	20,000 tonnes of packaging avoided, including 15,000 tonnes of plastic packaging by 2025 (cumulative since 2017)	Tonnes	Controlled products and national-brand products. Packaging of items sold at traditional counters/in-house (e.g., fruit and vegetable bags, deli containers, indirect purchases) 8 integrated countries, sales generated under banners (integrated and franchised stores).

Topic	Indicators	Unit	Scope of the objectives
Packaging – 3	150 million euros in bulk and reusable packaging sales in 2026 (five-fold increase vs. 2022)	In thousands of euros	Controlled products and national-brand products. 8 integrated countries, sales generated under banners (integrated and franchised stores).
Partner producers	50,000 partner producers by 2026	Number	CQL, organic, regional and local producers and other stakeholders supporting collective approaches. 8 integrated countries, sales generated under banners (integrated and franchised stores).
Stores			
Food waste	50% reduction in food waste (vs. 2016)	%	Integrated stores for major formats and warehouses. 8 integrated countries, integrated stores only.
Waste	100% of waste recovered from stores by 2025	%	Integrated stores for major formats and warehouses. 8 integrated countries, integrated stores only.
Climate (Scopes 1 and 2)	50% reduction in GHG emissions (Scopes 1 and 2) by 2030, and 70% reduction by 2040 (vs. 2019)	%	Integrated stores for major formats and e-commerce warehouses. 8 integrated countries, integrated stores only.
Climate (Scope 3)	Top 100 suppliers aligned with a 1.5°C trajectory by 2026 and 20 megatonnes avoided by 2030	Number	Suppliers of controlled products and national-brand products. 8 countries in which the Group operates.
Climate (Scope 3) – 1	20 megatonne reduction in CO_2 emissions relating to products sold in-store by 2030 (vs. 2019)	Tonnes	
Climate (Scope 3) – 2	100% of the Top 100 suppliers to be committed to a 1.5°C trajectory by 2026	%	
Customers			
Nutrition and health	Elimination of 2,600 tonnes of sugar and 250 tonnes of salt from Carrefour-branded products by 2026 (vs. 2022)	Tonnes	Controlled products and own-brand Lighting products 8 integrated countries, sales generated under banners (integrated and franchised stores).
Customer community	An active community of consumers of healthy and sustainable products in each country	Number	8 countries in which the Group operates.
Supplier commitments	500 suppliers involved in the Food Transition Pact by 2030	Number	Suppliers of controlled products and national-brand products. 8 countries in which the Group operates.
Act for Food	Minimum score of 75/100 for the question "Does Carrefour help you eat better?"	Number	8 countries in which the Group operates.
Employees			
Employee engagement	Minimum employer recommendation score of 75/100 awarded annually to Carrefour by its employees	Number	8 integrated countries, integrated operations only.
Gender equality	35% women executives (Top 200) by 2025	%	8 integrated countries, integrated operations only.
Training	At least 50% of employees provided access to training every year	%	8 integrated countries, integrated operations only.
Disability	15,000 employees with a disability by 2026	Number	8 integrated countries, integrated operations only.

(1) This KPI is a set of three sub-KPIs (governance, employee training, supplier engagement). Further sub-KPIs may be added in 2024. Each sub-KPI has the same weight in the final calculation.

Methodology for calculating the CSR and Food Transition Index

The CSR and Food Transition Index calculates a final score that aggregates 17 objectives in four categories (products, stores, consumers, and human resources). The final score for each category is calculated as an unweighted average of the four categories. The score for each indicator is calculated as the ratio of the result to its target over the given reporting period, expressed as a percentage. The "employee commitment" indicator is an exception as its score uses the following rule: for each point of deviation from the target of 7.5/10 (i.e., 75/100, up or down), the index score varies by plus or minus 4 points. The data and related calculation are reviewed by external auditors.

External audit

Quantified data are produced, consolidated, analysed and published. Selected data are subject to verification by an outside third party.

External audit

The reporting procedures have been verified by the external Statutory Auditor, Deloitte, appointed as an independent third party. For the Key Performance Indicators and information considered most significant, substantive tests have been conducted on the data. Indicators identified with the symbol √ have been reviewed with reasonable assurance.

2.4.2 REPORT OF THE INDEPENDENT THIRD-PARTY ON THE VERIFICATION OF THE CONSOLIDATED NON-FINANCIAL STATEMENT INCLUDED IN THE GROUP MANAGEMENT REPORT

Report of one of the Statutory Auditors, appointed as independent third party, on the verification of the consolidated non-financial performance statement

Year ended December 31, 2023

This is a free English translation of the report by one of the Statutory Auditors issued in French and is provided solely for the convenience of English-speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional standards applicable in France.

To the Shareholders' Meeting,

In our capacity as Statutory Auditor of Carrefour SA (hereinafter the "Company"), appointed as independent third party ("third party") and accredited by the French Accreditation Committee (Cofrac), under number 3-1886 (Cofrac Inspection Accreditation, scope available at www.cofrac.fr), we have conducted procedures to express a limited assurance conclusion on the historical information (observed or extrapolated) in the consolidated non-financial performance statement, prepared in accordance with the Company's procedures (hereinafter the "Guidelines"), for the year ended December 31, 2023 (hereinafter the "Information" and the "Statement", respectively), presented in the Group management report pursuant to the legal and regulatory provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the French Commercial Code (*code de commerce*).

Conclusion

Based on our procedures as described in the section "Nature and scope of procedures" and the evidence we have obtained, no material misstatements have come to our attention that cause us to believe that the non-financial performance statement does not comply with the applicable regulatory provisions and that the Information, taken as a whole, is not fairly presented in accordance with the Guidelines.

Comments

Without qualifying the conclusion expressed above, and in accordance with the provisions of Article A. 225-3 of the French Commercial Code, we make the following comments:

The scopes of reporting vary from one indicator to another and are detailed in the non-financial performance statement in the tables within the Detailed Reporting Methodology section.

Preparation of the non-financial performance statement

The absence of a generally accepted and commonly used reference framework or established practices on which to base the assessment and measurement of the Information enables the use of different but acceptable measurement techniques that may impact comparability between entities and over time.

Accordingly, the Information must be read and interpreted with reference to the Guidelines, summarised in the Statement and available on the Company's website or on request from its headquarters.

Limits inherent in the preparation of the information relating to the Statement

The Information may be subject to uncertainty inherent to the state of scientific and economic knowledge and the quality of external data used. Some information is sensitive to the choice of methodology and the assumptions or estimates used for its preparation and presented in the Statement.

Responsibility of the Company

Management is responsible for:

- selecting or determining the appropriate criteria for the preparation of the Information
- preparing a Statement pursuant to legal and regulatory provisions, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented with respect to these risks as well as the outcomes of these

policies, including key performance indicators and the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);

- implementing such internal control as it determines is necessary to enable the preparation of Information that is free from material misstatement, whether due to fraud or error.

The Statement has been prepared by the board of directors.

Responsibility of the Statutory Auditor appointed as independent third party

Based on our work, our responsibility is to express a limited assurance conclusion on:

- the compliance of the Statement with the requirements of Article R. 225-105 of the French Commercial Code;
- the fairness of the information provided pursuant to part 3 of sections I and II of Article R. 225-105 of the French Commercial Code, i.e. the outcomes of policies, including key performance indicators, and measures relating to the main risks, hereinafter the "Information."

As it is our responsibility to issue an independent conclusion on the information prepared by management, we are not authorised to participate in the preparation of the Information, as this could compromise our independence.

It is not our responsibility to provide a conclusion on:

- the Company's compliance with other applicable legal and regulatory provisions (particularly with regard to the information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy), the fight against corruption and tax evasion;
- the fairness of information set-out in Article 8 of Regulation (EU) 2020/852 (Green taxonomy);
- the compliance of products and services with the applicable regulations.

Applicable regulatory provisions and professional guidance

We performed the work described below in accordance with our audit verification programme in application of Articles A. 225-1 *et seq.* of the French Commercial Code, the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement and with the international standard ISAE 3000 (revised - Assurance engagements other than audits or reviews of historical financial information).

Independence and quality control

Our independence is defined by Article L. 821-28 of the French Commercial Code and French Code of Ethics for Statutory Auditors (*Code de déontologie*). In addition, we have implemented a system of quality control including documented policies and procedures aimed at ensuring compliance with applicable legal and regulatory requirements, ethical requirements and the professional guidance issued by the French Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*) relating to this engagement.

Means and resources

Our work engaged the skills of twelve people between July 2023 and February 2024 for a total of thirty-two weeks.

To assist us in conducting our work, we referred to our corporate social responsibility and sustainable development experts. We conducted around sixty interviews with people responsible for preparing the Statement.

Nature and scope of procedures

We planned and performed our work taking account of the risk of material misstatement of the Information.

We consider that the procedures conducted in exercising our professional judgement enable us to express a limited assurance conclusion:

- We familiarized ourselves with the activities of all companies in the consolidation scope and the description of the principal risks.
- We assessed the suitability of the Guidelines with respect to their relevance, completeness, reliability, neutrality and clarity, taking into account, where appropriate, best practices within the sector.
- We verified that the Statement covers each category of information stipulated in section III of Article L. 225-102-1 governing social and environmental affairs, respect for human rights and the fight against corruption and tax evasion.
- We verified that the Statement provides the information required under Article R.225-105 of the French Commercial Code where relevant with respect to the principal risks,

- We verified that the Statement presents the business model and a description of the principal risks associated with the activities of all the consolidated entities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks.
- Where applicable, we verified that the Statement entail an clear and motivated explanation for the absence of policies related to one or several risks as required under Article R.225-105.
- We referred to documentary sources and conducted interviews to:
  - assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented; and
  - corroborate the qualitative information (measures and outcomes) that we considered to be the most important [1].
- We verified that the Statement covers the consolidated scope, i.e. all companies within the consolidation scope in accordance with Article L. 233-16, with the limits specified in the Statement.
- We obtained an understanding of internal control and risk management procedures implemented by the Company and assessed the data collection process aimed at ensuring the completeness and fairness of the Information.
- For the key performance indicators and other quantitative outcomes that we considered to be the most important, presented in Appendix 1, we implemented:
  - analytical procedures that consisted in verifying the correct consolidation of collected data as well as the consistency of changes thereto;
  - substantive tests, on a sample basis and using other selection methods, that consisted in verifying the proper application of definitions and procedures and reconciling data with supporting documents. These procedures were conducted for a selection of contributing entities and covered between 25% and 100% of the consolidated data selected for these tests.
- We assessed the overall consistency of the Statement in relation to our knowledge of the entire Company.

The procedures conducted in a limited assurance review are substantially less in scope than those required to issue a reasonable assurance opinion in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux Comptes*); a higher level of assurance would have required us to carry out more extensive procedures.

Paris-La Défense, March 4, 2024

One of the Statutory Auditors,

Deloitte & Associés

Bertrand Boisselier	Julie Mary
Partner, Audit	Director, Sustainability Services

(1) Selected qualitative information: Existence of a climate plan, of a biodiversity strategy, of an animal welfare policy, of a health and food safety policy.

Appendix 1: Information considered most important.

Quantitative information (actions and results) relating to the main risks:

- Climate scope 1 & 2: Percentage reduction in GHG emissions linked to scope 1 and 2 by 2030 (1) (2) (3) (4) (5) (6) (7)
- Climate scope 3: Reduction of 20 megatons of CO^2 in emissions linked to products sold in stores by 2030 (compared to 2019)*
- Climate scope 3: Percentage of Top 100 suppliers committed to a 1.5°C trajectory by 2026*
- Percentage of waste recycled by 2025 [1 3 6] (8)
- Percentage of reduction in food waste (kg/sq.m.) compared to 2016 [1 2 6]
- Percentage of reusable, recyclable or compostable packaging for Carrefour-branded products (%) [1 6 8]
- Cumulative tons of packaging saved since 2017 [1 2 6]
- Bulk sales and reuse in 2026 multiplied by 5 vs 2022 [1 2 4 8]
- Tonnage of certified and fully traced palm oil from Carrefour product sales [1 2 6]
- Sales (€) from products using Zero Deforestation soybeans [1 2]
- Sales (€) from sales of Zero deforestation cocoa (butter and pasta) [1 2]
- Sales (€) from sales of cage-free shell egg [1 6]
- Sales (€) from certified responsible products [1 2 6]
- Sales (€) from plant-based protein products [1 2 3]
- Number of products containing cage-free egg ingredients [1 2]
- Number of supplier slaughterhouses audited [1 2 6]
- Total raw materials sourcing score*
- Number of partner producers by 2025 [1 2 3]
- Number of suppliers committed to the food transition pact by 2030 [1 2 *]
- Number of active consumer communities for healthy and sustainable products in each country [1 2]
- Percentage of consumers answering yes to the question: "Does Carrefour help you eat healthily and responsibly? *(9)
- Nutrition & Health: Reduction of tons of sugar and salt in Carrefour-branded products by 2026 (vs 2022) [1]
- Workforce [1]
- Absenteeism rate [1 *]
- Severity rate [1 *]
- Frequency rate [1 *]
- Percentage of women appointed to key positions *
- Employer recommendation score awarded annually to Carrefour by its employees *
- Percentage of employees with a disability [1 2]
- Average number of training hours per employee [1 2 8]

(1) We have selected a list of business units for detailed testing. These business units are: France
(2) Spain
(3) Italy
(4) Poland
(5) Romania
(6) Brazil
(7) Argentina
(8) Belgium
* Group

3

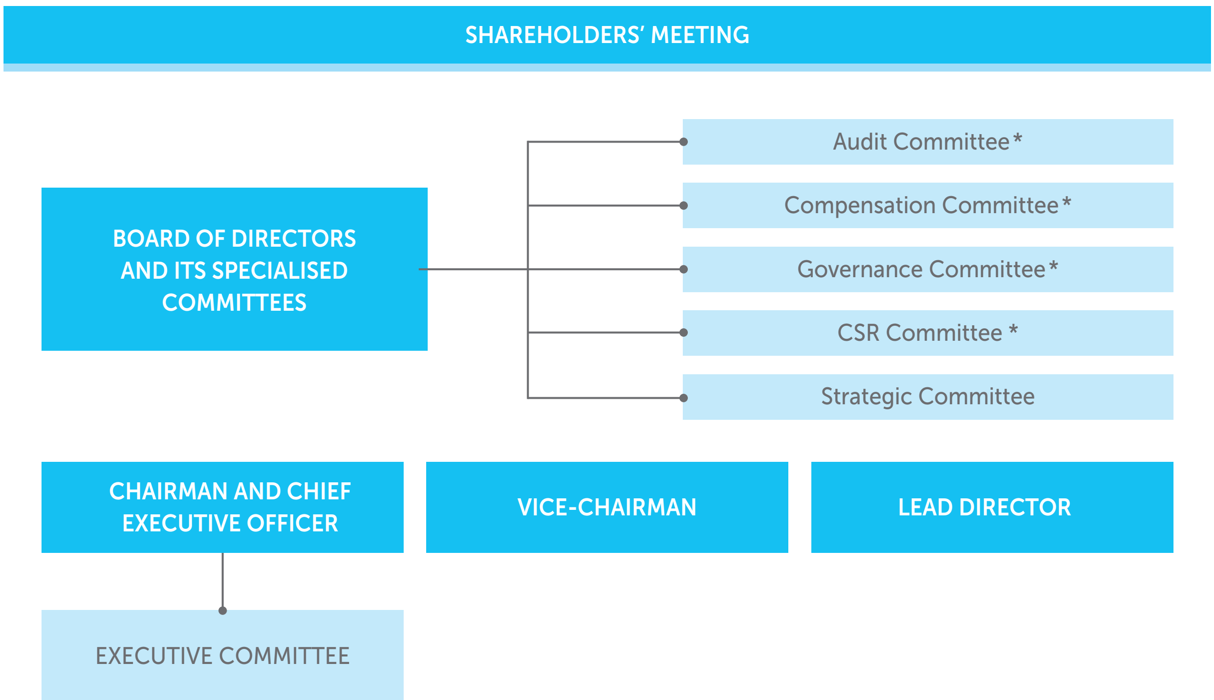
CORPORATE GOVERNANCE

The Board of Directors implements a balanced and appropriate governance structure, in line with best practices.

As part of this work, the Board of Directors relies on the recommendations of the Governance Committee. The Board refers to the AFEP-MEDEF corporate governance code for listed companies (AFEP-MEDEF Code), as amended in December 2022, which may be consulted at the Company's head office, on the AFEP website (*www.afep.com*) and on the MEDEF website (*www.medef.com*) and takes into account the recommendations set out in the implementing guidelines of the AFEP-MEDEF Code, the recommendations of the High Commission on Corporate Governance (*Haut Comité de Gouvernement d'entreprise*) and of the AMF, ongoing dialogue with shareholders and voting results of the Shareholders' Meetings, as well as the recommendations of proxy advisory firms and non-financial rating agencies.

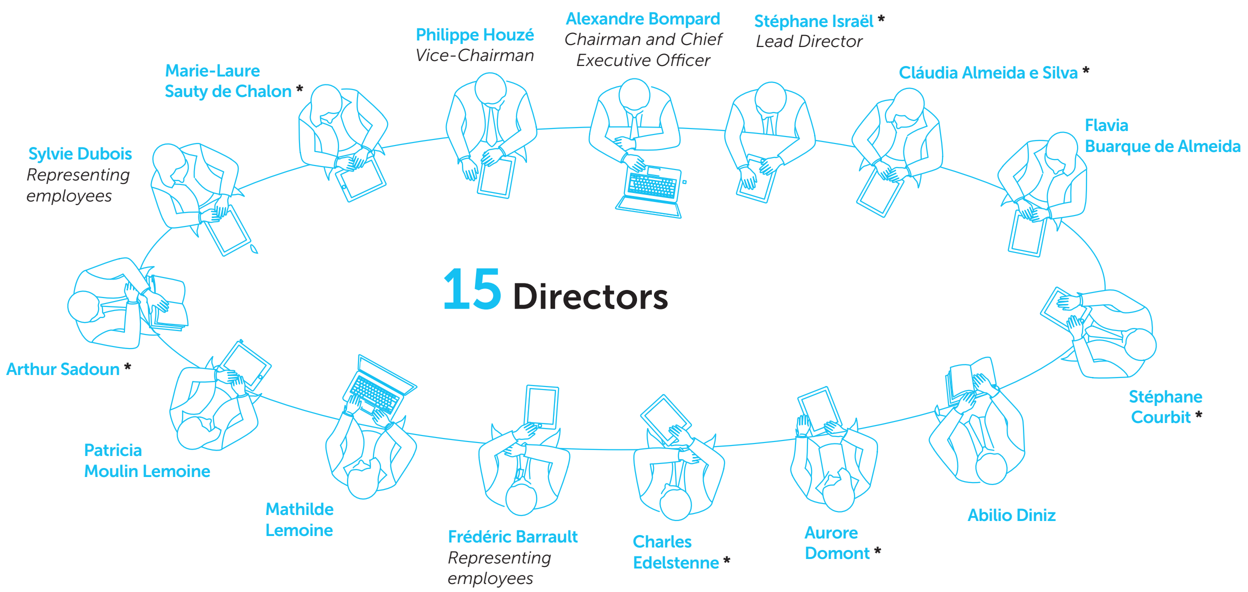
Governance summary

PARTICIPANTS IN THE GOVERNANCE SYSTEM



* Committee chaired by an Independent Director

COMPOSITION OF THE BOARD OF DIRECTORS AT DECEMBER 31, 2023



* Independent Director.

RECENT CHANGES IN CORPORATE GOVERNANCE

In light of dialogue with shareholders, Shareholders' Meeting voting results and best practices in the market, the Board of Directors has discussed possible changes to the Company's governance.

Following this work, on the recommendation of the Governance Committee, the Board of Directors decided on March 22, 2023 to change the composition of its Committees, in particular to improve their degree of independence (see Section 3.2.3 of this Universal Registration Document).

Also on the recommendation of the Governance Committee, the Board of Directors decided to ask the Shareholders' Meeting of May 26, 2023 for its approval, which was given, to reappoint the following two Directors: Alexandre Bompard and Marie-Laure Sauty de Chalon. On May 26 2023, the Board of Directors also decided to reappoint Alexandre Bompard as Chairman and Chief Executive Officer.

In addition, following the meeting of the European Works Council (*Comité d'Information et de Concertation Européen Carrefour*) on October 18, 2023 designating Sylvie Dubois as a Director representing employees, she joined the Board of Directors on October 25, 2023.

At its December 7, 2023 meeting, the Group Committee appointed Frédéric Barrault in the same capacity and he joined the Board of Directors on December 15, 2023.

At its meeting on 20 February 2024, the Board of Directors noted with deep sadness the death of Mr Diniz, who had been a Director of the Company since May 17, 2016.

On the recommendation of the Governance Committee, the Board of Directors decided, at its meeting on March 13, 2024, to appoint Eduardo Rossi to replace Mr Diniz. At the May 24, 2024 Shareholders' Meeting, the shareholders will be asked to ratify this appointment and to renew the directorships of Cláudia Almeida e Silva, Aurore Domont, Patricia Moulin-Lemoine, Philippe Houzé, Stéphane Israël, Stéphane Courbit and Arthur Sadoun.

At that same Meeting, the Board of Directors will also invite the shareholders to appoint Marguerite Bérard as a Director. If Marguerite Bérard is appointed by the shareholders, she will join the Audit Committee as an independent Director.

The Board of Directors also changed the composition of its committees as follows:

- Sylvie Dubois, Director representing employees, joined the CSR Committee;
- Frédéric Barrault, Director representing employees, joined the Compensation Committee;
- Flavia Buarque de Almeida, Director, joined the Strategy Committee.

At the date of this Universal Registration Document, the Board of Directors had 15 members including two Directors representing employees.

CARREFOUR GOVERNANCE – KEY FIGURES (DECEMBER 31, 2023)

15
Directors including
2 representing employees

54%
Independence rate*

46%
women*

5
specialised Committees
of which **4** are chaired
by Independent Directors
and **1** by a woman

9
Board meetings in 2023

98%
Attendance rate at
Board meetings

100%
Attendance rate at
Committee meetings

* In accordance with the AFEP-MEDEF Code and the law, Directors representing employees are not included in the calculation of the above percentages.

3.1 A balanced governance structure

3.1.1 BALANCE OF POWERS

The Board of Directors regularly reviews whether the Company has a suitably balanced governance structure.

3.1.1.1 Executive Management structure

There is no preferred Executive Management structure under the French legislation in force.

It is the Board of Directors' responsibility to choose between the two possible Executive Management methods (separate or combined), as provided by Article 3.2 of the AFEP-MEDEF Code, according to the Company's specific requirements.

Upon the appointment of Alexandre Bompard as Chairman and Chief Executive Officer on July 18, 2017, the Board of Directors decided to maintain the joint nature of the offices of Chairman and Chief Executive Officer to simplify the decision-making process and enhance the efficiency and responsiveness of the Company's governance. The ratification and renewal of his directorship were approved by the Shareholders' Meeting of June 15, 2018.

The Shareholders' Meeting of May 26, 2023 renewed the term of office of Alexandre Bompard as Director. Following this renewal, the Board of Directors reiterated its confidence in Alexandre Bompard by renewing his appointment as Chairman and Chief Executive Officer.

The Board of Directors regularly examines its composition and operation and seeks to implement a balanced governance structure that is appropriate and capable of dealing with the circumstances and challenges of the Carrefour group. The Board of Directors considers that the governance measures implemented in the Company provide a suitable balance of powers in line with best practices and offer the guarantees required to operate a combined management structure, particularly in light of:

- the presence of a majority of Independent Directors as members of the Board of Directors and two Directors representing employees;
- the existence of the Board of Directors' five specialised Committees with different duties and responsibilities in the areas of audit, compensation, governance, CSR and strategy (see Section 3.2.3 of this Universal Registration Document on the role and composition of these Committees);
- the Chairmanship by an Independent Director of the Audit Committee, Governance Committee, Compensation Committee and CSR Committee;
- the presence of an independent Lead Director with specific responsibilities and duties that were extended in 2020 and 2021 (see Section 3.1.1.4 of this Universal Registration Document);
- the appointment, in 2020, of a Vice-Chairman of the Board of Directors, a position held by a Director representing an early shareholder of the Company (see Section 3.1.1.3 of this Universal Registration Document); and
- limitations to the powers of the Chairman and Chief Executive Officer under the Board of Directors' Internal Rules, providing for the Board of Directors' prior approval of certain decisions of major strategic importance or likely to have a material adverse effect on the Company (see below).

The Board of Directors noted the efficiency of the combination of the duties of Chairman and Chief Executive Officer and was satisfied with the balance of powers existing between the Chairman and Chief Executive Officer and the Directors. According to the self-assessment of the Board of Directors' work, conducted at the end of 2023, all the Board members appreciate the quality of governance implemented and confirm the relevance of the Executive Management structure which promotes a close relationship based on trust between the Chairman and Chief Executive Officer and the Directors. The Board of Directors considered that the consolidation of the duties of Chairman and Chief Executive Officer, at a time of profound transformation for the Group, allowed greater efficiency and responsiveness in the Group's management enabling the Directors to perform their duties. The Board of Directors noted that this organisation promoted a transparent and dynamic dialogue between the Executive Management and the Board of Directors, in particular with a view to implementing a leaner, prompt and effective Carrefour 2026 strategic plan. This Executive Management structure also recently demonstrated its relevance in the midst of an unprecedented health crisis demanding a high level of involvement and responsiveness from the Directors and Executive Management.

3.1.1.2 Limitations of powers of the Chairman and Chief Executive Officer

Given the decision to combine the duties of Chairman and Chief Executive Officer, the Board of Directors' Internal Rules have included restrictions on the powers of the Chairman and Chief Executive Officer. The Chairman and Chief Executive Officer therefore cannot carry out the following transactions or actions in the name and on behalf of the Company without the Board of Directors' prior consent:

- investment and divestment transactions under consideration by the Group, in particular acquisitions and disposals of assets or holdings, subscriptions to any issues of shares, partnership interests or bonds and the conclusion of partnerships and joint-venture agreements, as well as any transaction likely to affect the Group's strategy, in an amount exceeding 250 million euros per investment/divestment on behalf of the Group;
- financial transactions, regardless of their conditions, in an amount exceeding 2 billion euros; the Chairman and Chief Executive Officer must report to the Board of Directors for transactions below this amount;
- decision to directly establish overseas sites through the creation of a branch, a direct or indirect affiliate, or the acquisition of an interest or the withdrawal from these sites;
- any merger, spin-off or asset transfer for net asset transfer values in excess of 250 million euros, excluding any internal restructuring;
- the total or partial sale of non-financial assets not valued in the statement of financial position, including brands, particularly the Carrefour brand and customer data;
- in the event of a dispute, any transaction or settlement in an amount greater than 100 million euros per case.

3.1.1.3 Vice-Chairman of the Board of Directors

On April 20, 2020, the Board of Directors decided, following the appointment of Stéphane Israël as Lead Director, to appoint Philippe Houzé, a recognised player in the retail industry, involved in the development of the omni-channel, responsible and innovative business, and representing one of the Group's main shareholders, as Vice-Chairman of the Board of Directors.

According to the Board of Directors' Internal Rules, the role of the Vice-Chairman of the Board of Directors is to chair the Board of Directors' meetings in the absence of the Chairman and to assist the Chairman of the Board of Directors in his duties to ensure that the Company's governance bodies are operating correctly.

3.1.1.4 Independent Lead Director

At its meeting on June 21, 2011, the Board of Directors decided to combine the duties of Chairman and Chief Executive Officer and create the role of Lead Director.

On the recommendation of the Governance Committee, the Board of Directors at its meeting on April 20, 2020 decided to appoint Stéphane Israël, an Independent Director, as Lead Director, replacing Philippe Houzé, who was appointed Vice-Chairman of the Board of Directors.

Duties

According to the Board of Directors' Internal Rules, the role of the Lead Director is to assist the Chairman of the Board of Directors in his duties to ensure that the Company's governance bodies are operating correctly. He has particular responsibility for examining situations where there is a real or potential conflict of interest, which could affect Directors or the Chairman of the Board of Directors in respect of the interests of the business, whether this relates to operational projects, strategic management or specific agreements. He reports to the Board of Directors on his work.

In line with the work and discussions on the improvements that could be made to the Company's governance, on February 17, 2021 and March 22, 2023, the Board of Directors decided, on the recommendation of the Governance Committee, to adapt its Internal Rules to extend the Lead Director's duties and specify the resources available for the performance of his duties.

A key intermediary for the Directors, the Lead Director approves the agenda for Board meetings, can propose specific items for inclusion in the agenda and may be consulted on the schedule of Board meetings.

The Lead Director is also responsible for organising two meetings per year without the Executive Officers in attendance (executive sessions).

Within the scope of his responsibilities, the Lead Director has access to all the documents and information that he deems necessary to the performance of his tasks. He can request external studies at the Company's expense or require the assistance of the Group Secretary General in the performance of his duties.

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2023 principal activities

In 2023, the Lead Director:

- had regular discussions with the members of the Board and its various committees about the practices and procedures of the Company's governance bodies, making him a key intermediary for the Independent Directors and the Chairman and Chief Executive Officer;
- supervised the external assessment of the Board of Directors and met individually with each of the Directors;
- ensured that the governance rules were applied within the Board and its committees;
- was involved in the work of the Strategic Committee;
- was not required to deal with any conflicts of interest within the Board of Directors;
- discussed the agendas of the Board meetings with the Chairman of the Board of Directors;
- held discussions with the Board of Directors, without the Executive Officer in attendance, on the composition of the Board of Directors, the agenda of Board meetings and the main items to be included on the agenda;
- contributed to dialogue with shareholders and signed a letter addressed to shareholders ahead of the Shareholders' Meeting;
- attended meetings of the Audit, Compensation and Strategic Committees.

3.1.2 BALANCED COMPOSITION OF THE BOARD OF DIRECTORS

3.1.2.1 Diversity policy

As part of promoting the Directors' diverse backgrounds and in accordance with paragraph 2 of Article L. 22-10-10 of the French Commercial Code (*Code de commerce*) and recommendation 6.2 set out in the AFEP-MEDEF Code, the Board of Directors regularly examines whether the Board and its specialised Committees have a suitably balanced membership structure.

Targets

The Board of Directors, assisted by the Governance Committee, ensures that all the necessary skills are used to implement the Company's strategic plan. It seeks to ensure that the Directors' skills are balanced, relevant and complementary in light of the Carrefour group strategy so that their areas of expertise evenly cover knowledge of the retail sector, Executive Management experience, governance, finance, international experience, digital transformation and innovation, as well as corporate social responsibility.

The Board of Directors also aims to maintain an appropriate global degree of independence in light of the Company's governance structure, shareholder base and gender balance, and strives to promote a diverse and adequate representation of Directors, in terms of experience, age, nationality and culture.

Implementation and monitoring

The Governance Committee regularly examines the adequacy of the composition of the Board of Directors and its specialised Committees and reports to the Board of Directors on its work.

It identifies, in accordance with the main objectives set out above and, more generally, with corporate governance best practices, the guidelines to be followed to ensure the best possible balance on the basis of its diversity policy. As part of this work, it also endeavours to take into account the recommendations that result from dialogue with shareholders.

The review of the implementation and the monitoring of the Board of Directors' diversity policy are conducted annually, as part of the Board of Directors' assessment process supervised by the Lead Director. The Board of Directors must devote one agenda item each year to discussing the conclusions of this assessment.

Since the 2019 financial year, the Board of Directors has established a Directors' skill matrix to facilitate the follow up of its diversity policy. This matrix, presented below, is updated annually, and allows the precise mapping of each Director's areas of expertise.

In 2023, the Board of Directors considered that its composition was appropriate based on the diversity criteria examined. However, it pays close attention to any potential changes that could be consistent with the Group's development and dynamism.

Results

Since 2017, the Board of Directors' implementation of the policy has resulted in the continuous renewal of its composition in order to achieve equal representation, particularly in terms of independence, gender, expertise, age and seniority of its members.

The addition since 2017 of new, younger Directors of different nationalities and with different skills and experience has made the Board more international and expanded its entrepreneurial and digital expertise. In 2020, on the recommendation of the Governance Committee, and in accordance with the requests of the Company's shareholders, the Board of Directors also decided to reduce its size.

The appointment of Arthur Sadoun as an Independent Director also strengthened the independence of the Board, and added an international profile, experience in business transformation and digital expertise.

The result is a leaner Board of Directors, with gender balance and a degree of independence in line with best governance practices.

At December 31, 2023, the Board of Directors had 13 members (excluding Directors representing employees), six or 46% of whom were women and 54% of whom were independent (these percentages do not include the two Directors representing employees). Three of the Directors were non-French. In addition, four committees are chaired by Independent Directors.

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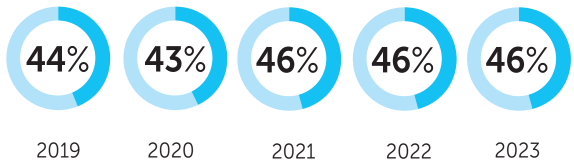
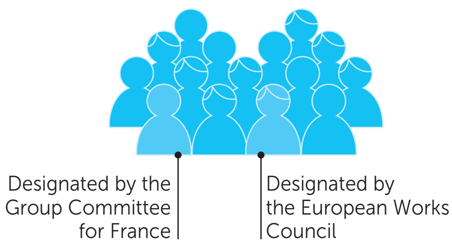
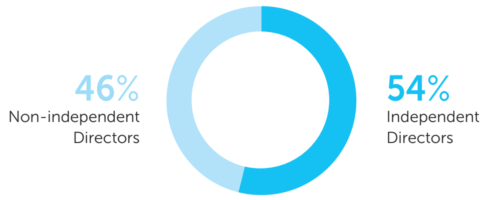
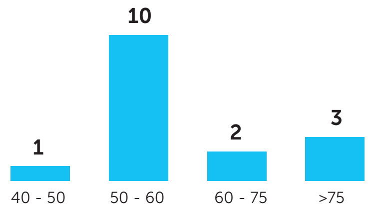
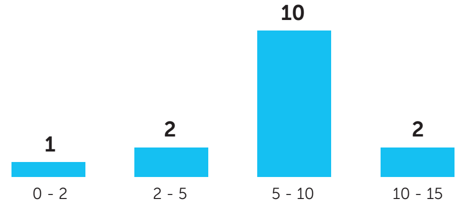
The Board of Directors benefits from the diversity of its Directors' backgrounds, their complementary experience (including retail, financial, industrial, economic, sales, digital and innovation expertise) and, in some cases, their in-depth experience and knowledge of the Group's business, industry and environment both in France and abroad.

<table>
<tr><th>Criteria</th><th>Targets</th><th>Implementation and results obtained in 2023</th></tr>
<tr><td>Composition of the Board of Directors</td><td>Gender equality on the Board of Directors</td><td>


In accordance with AFEP-MEDEF Code recommendations, the above percentages do not include Directors representing employees.</td></tr>
<tr><td></td><td>Build up the necessary skills to implement the Company's strategic plan</td><td>

</td></tr>
<tr><td></td><td>Appointment of two Directors representing employees</td><td>
2
Directors representing employees


Two new Directors representing employees were appointed in October and December 2023, for a three-year term.</td></tr>
</table>

Criteria	Targets	Implementation and results obtained in 2023
Directors' independence	50% of Independent Directors, in compliance with the AFEP-MEDEF Code for widely-held corporations without controlling shareholders	 In accordance with AFEP-MEDEF Code recommendations, the above percentages do not include Directors representing employees.
Age of Directors	No more than one-third of Directors over the age of 75	 **Average age** **62 years** 2019 58 years 2020 58 years 2021 60 years 2022 61 years 2023 62 years
Average tenure of Board members		 **Average tenure** **7 years**

Directors are active and committed, which contributes to the quality of the Board of Directors' deliberations with respect to the decisions it takes. Directors' profiles and their levels of experience and expertise are described in their biographies in Section 3.2.1.3 of this Universal Registration Document.

3.1.2.2 Directors representing employees

Article 11 of the Company's Articles of Association specifies that "When the Company falls within the scope of Article L. 225-27-1 of the French Commercial Code, the Board of Directors shall also include one or more Directors representing employees of which the number and conditions of appointment are set by the applicable legal provisions of these Articles of Association. When only one Director representing employees is to be appointed, he/she is appointed by the Group Committee (*Comité de Groupe français Carrefour*). When two Directors representing employees are to be appointed, the second is appointed by the European Works Council (*Comité d'information et de concertation européen Carrefour*)."

Following the meeting of the European Works Council (*Comité d'Information et de Concertation Européen Carrefour*) on October 18, 2023 designating Sylvie Dubois as a Director representing employees, she joined the Board of Directors on October 25, 2023.

At its December 7, 2023 meeting, the Group Committee appointed Frédéric Barrault in the same capacity and he joined the Board of Directors on December 15, 2023.

Their biographies are presented in Section 3.2.1.3 of this Universal Registration Document. As required by law, they have both resigned from their positions as trade union employee representatives.

The Directors representing employees have the same status, rights and responsibilities as the other Directors.

They received compensation in 2023 on the same basis as other Directors.

The Board of Directors granted Directors representing employees 20 hours of training per year and 15 hours of preparation time per meeting. They received internal training to familiarise them with the role of and rules pertaining to Directors, as well as their rights, obligations and responsibilities in that capacity. In early 2024, they received training provided by the French Institute of Directors (*Institut Français des Administrateurs* – IFA) and paid for by the Group.

Furthermore, the Board of Directors offered them the opportunity to participate in an integration programme designed to enhance their knowledge of the Group's business and organisation. To this end, they have had interviews with Group Senior managers.

3.1.2.3 Directors' independence

In accordance with the AFEP-MEDEF Code, applied by the Company, "the Independent Directors should account for half the members of the Board in widely held corporations without controlling shareholders".

Independence criteria

According to the AFEP-MEDEF Code, Directors are independent if they have no relationship of any kind with the Company, its Group or its Management that could compromise their freedom of judgement. Thus, an Independent Director must not only be a Non-Executive Director, i.e., one not performing any management duties within the Company or its Group, but must also be free of any particular vested interest (as a significant shareholder, employee, or otherwise) in the Company or its Group.

The Board of Directors referred to the following AFEP-MEDEF Code criteria in determining a Director's independence:

- not to be or have been over the past five years:
  - an employee or Executive Officer of the Company,
  - an employee, Executive Officer or Director of a company that the Company consolidates,
  - an employee, Executive Officer or Director of the Company's parent company or a company that the latter consolidates,
- not to be an Executive Officer of a company in which the Company directly or indirectly holds a directorship or in which an employee appointed as such or an Executive Officer of the Company (currently in office or having held such office over the past five years) is a Director;
- not to be a customer, supplier, investment banker or commercial banker:
  - that is material for the Company or its Group, or
  - for which the Company or its Group represents a significant proportion of business,
- not to be related by close family ties to a Company Officer;
- not to have been a Statutory Auditor of the Company over the past five years;
- not to have been a Director of the Company for more than 12 years.

A non-executive Company Officer receiving variable compensation in cash or securities or any compensation linked to the performance of the Company or the Group cannot be considered independent.

Directors representing main shareholders of the Company may be regarded as independent if the relevant shareholder does not exercise any control over the Company. However, beyond a threshold of 10% of the share capital or voting rights, the Board of Directors will, on the recommendation of the Governance Committee, review the Director's independence taking into account the Company's ownership structure and the existence of any potential conflicts of interest.

Review of Directors' independence

The Board of Directors' Internal Rules require that it conduct an annual review, on the recommendation of the Governance Committee, of each Director's independence.

In accordance with the AFEP-MEDEF Code, and on the recommendation of the Governance Committee, the Board of Directors conducted the 2023 assessment of the Directors' independence on March 13, 2024. From among its members, seven directors are deemed to be Independent, i.e., 54%, in accordance with the recommendation set out in the AFEP-MEDEF Code (this proportion does not include Directors representing employees).

Cláudia Almeida e Silva, Aurore Domont and Marie-Laure Sauty de Chalon, as well as Stéphane Courbit, Charles Edelstenne, Stéphane Israël and Arthur Sadoun, qualify as Independent Directors.

On the recommendation of the Governance Committee, the Board of Directors determined that none of the Independent Directors have any material business relationships with the Group, directly or indirectly, that could create a conflict of interests from the point of view of either the Group or the Director concerned. Several criteria were used to determine the materiality of business relationships: the precedence and history of the contractual relationship between the Group and the group within which a Company Director holds a Company office or has executive duties; the existence of arm's length conditions in the contractual relationship; the absence of economic dependence or exclusivity; and the non-material nature of the proportion of sales resulting from business relationships between the group concerned and the Carrefour group.

On the recommendation of the Governance Committee, the Board of Directors re-examined the status of Charles Edelstenne.

In July 2020, Charles Edelstenne exceeded the maximum 12 years of service recommended by the AFEP-MEDEF Code.

Accordingly, the Board of Directors took into account Charles Edelstenne's reputation, professional experience, the objectivity he has consistently demonstrated during Board meetings, his critical judgement and his ability to make sound decisions in all situations, in particular as regards Executive Management.

The Board of Directors also took into account the change to the management team that took place in 2017, which meant that close ties could not be formed with the current team given the duration of his term.

Charles Edelstenne's qualities and in-depth knowledge of the Group were considered essential given the radical change in the composition of the Board since 2018 and its reduced size, making him a highly valuable contributor to the Board's strategic decisions.

Given this assessment, the Board of Directors considered that the length of directorship criterion defined in the AFEP-MEDEF Code among eight other criteria was not itself sufficient for Charles Edelstenne to automatically lose his independent status, and that there was no other reason to prevent him from continuing in office as an Independent Director.

In accordance with the Board of Directors' Internal Rules, Directors express their opinions freely and commit to preserving in all circumstances their independence of analysis, judgement, decision-making and actions. They also undertake to reject any pressure, whether direct or indirect, that could be exerted upon them from other Directors, specific groups of shareholders, creditors, suppliers or any other third party. Each Director shall refrain from seeking or accepting from the Company or its affiliates, directly or indirectly, any advantages that could be considered likely to compromise his or her independence.

The table below shows the position of each Director (except for the Directors representing employees) at December 31, 2023, based on the independence criteria set out in the AFEP-MEDEF Code:

Director[1]	Criterion 1 *Employee or Company officer in the past 5 years*	Criterion 2 *Cross-directorships*	Criterion 3 *Significant business relationships*	Criterion 4 *Family ties*	Criterion 5 *Statutory Auditors*	Criterion 6 *In office for more than 12 years*	Criterion 7 *Non-executive Company officer*	Criterion 8 *Main shareholder*
Alexandre Bompard *Chairman and Chief Executive Officer*	X	✓	✓	✓	✓	✓	✓	✓
Philippe Houzé *Vice-Chairman*	✓	✓	✓	X	✓	✓	✓	X
Stéphane Israël(*) *Lead Director*	✓	✓	✓	✓	✓	✓	✓	✓
Cláudia Almeida e Silva(*)	✓	✓	✓	✓	✓	✓	✓	✓
Flavia Buarque de Almeida	✓	✓	✓	✓	✓	✓	✓	X
Stéphane Courbit(*)	✓	✓	✓	✓	✓	✓	✓	✓
Abilio Diniz	✓	✓	✓	✓	✓	✓	✓	X
Aurore Domont(*)	✓	✓	✓	✓	✓	✓	✓	✓
Charles Edelstenne(*)	✓	✓	✓	✓	✓	✓	✓	✓
Mathilde Lemoine	✓	✓	✓	✓	✓	X	✓	✓
Patricia Moulin Lemoine	✓	✓	✓	X	✓	✓	✓	X
Arthur Sadoun(*)	✓	✓	✓	✓	✓	✓	✓	✓
Marie-Laure Sauty de Chalon(*)	✓	✓	✓	✓	✓	✓	✓	✓

(1) In the table:
✓ signifies an independence criterion that has been met.
X signifies an independence criterion that has not been met.
(*) Independent Directors.

3.2 The Board of Directors

3.2.1 COMPOSITION OF THE BOARD OF DIRECTORS

3.2.1.1 Composition of the Board of Directors at December 31, 2023

On December 31, 2023, the Board of Directors had 15 members including two Directors representing employees. The composition of the Board of Directors and its specialised Committees is presented in the following table:

					Duration of appointment	
Director	Nationality	Age	Gender	Independent	Appointment	Most recent appointment
Alexandre Bompard *Chairman and Chief Executive Officer*	French	51	M		07/18/2017	05/26/2023
Philippe Houzé *Vice-Chairman*	French	76	M		06/11/2015	05/21/2021
Stéphane Israël *Lead Director*	French	52	M	X	06/15/2018	05/21/2021
Cláudia Almeida e Silva	Portuguese	50	F	X	01/22/2019[3]	05/21/2021
Flavia Buarque de Almeida	Brazilian	56	F		04/12/2017	06/03/2022
Stéphane Courbit	French	58	M	X	06/15/2018	05/21/2021
Abilio Diniz	Brazilian	87	M		05/17/2016	06/03/2022
Aurore Domont	French	55	F	X	06/15/2018	05/21/2021
Charles Edelstenne	French	85	M	X	07/28/2008	06/03/2022
Frédéric Barrault[4]	French	58	M		12/07/2023	-
Mathilde Lemoine	French	54	F		05/20/2011	05/21/2021
Patricia Moulin Lemoine	French	74	F		06/11/2015	05/21/2021
Arthur Sadoun	French	52	H	X	09/07/2021[5]	-
Sylvie Dubois[4]	French	58	F		10/18/2023	-
Marie-Laure Sauty de Chalon	French	61	F	X	06/15/2017	05/26/2023

(1) Date of the Annual Shareholders' Meeting called to approve the financial statements for the previous year.
(2) Other corporate offices held within listed companies (outside the Carrefour group). When several corporate offices are held within listed companies of the same group, they are identified as one sole corporate office.
(3) Date of appointment; ratified by the 2019 Shareholders' Meeting.
(4) Director representing employees.
(5) Date of appointment; ratified by the 2022 Shareholders' Meeting.

End of term[1]	Other corporate offices[2]	Board of Directors' specialised Committees: Audit Committee	Compensation Committee	Governance Committee	CSR Committee	Strategic Committee
2026 AGM	1					◆
2024 AGM	-	●		●		●
2024 AGM	-	◆	●			●
2024 AGM	-	●			●	
2025 AGM	1			●		
2024 AGM	-		◆			●
2025 AGM	1					■
2024 AGM	-			●	◆	
2025 AGM	3		●	◆		
12/07/2026	-					
2024 AGM	-					
2024 AGM	-				●	
2024 AGM	1			●		
10/18/2026	-					
2026 AGM	2	●				

◆ Chair.
■ Vice-Chair.
● Member.

Directors, except Directors representing employees, are appointed by the Ordinary Shareholders' Meeting upon proposal of the Board of Directors on the recommendation of the Governance Committee. They are appointed for a term of three years.

3.2.1.2 Changes in the composition of the Board of Directors

Changes in the composition of the Board of Directors in 2023 are summarised in the following table:

	Departures	Appointments	Renewals
Board of Directors	Martine Saint-Cricq Thierry Faraut	Sylvie Dubois Frédéric Barrault	Alexandre Bompard Marie-Laure Sauty de Chalon

The Shareholders' Meeting of May 26, 2023, renewed the terms of Alexandre Bompard and Marie-Laure Sauty de Chalon as Directors. Following the meeting of the European Works Council (*Comité d'Information et de Concertation Européen Carrefour*) on October 18, 2023 designating Sylvie Dubois as a Director representing employees, she joined the Board of Directors on October 25, 2023.

At its December 7, 2023 meeting, the Group Committee appointed Frédéric Barrault in the same capacity and he joined the Board of Directors on December 15, 2023.

In addition, recent changes in the composition of the Board of Directors are detailed in the Section "Recent changes in corporate governance" at the beginning of Chapter 3 of this Universal Registration Document.

3.2.1.3 Directors' biographies at December 31, 2023

Alexandre Bompard

CHAIRMAN AND CHIEF EXECUTIVE OFFICER / *Chairman of the Strategic Committee*

BORN ON: October 4, 1972

NATIONALITY: French

NUMBER OF COMPANY SHARES OWNED: 1,028,818

DATE OF APPOINTMENT TO THE Board of Directors: July 18, 2017

RATIFICATION OF THE APPOINTMENT BY THE Shareholders' Meeting: June 15, 2018

LAST REAPPOINTED: May 26, 2023

TERM OF OFFICE EXPIRES: Shareholders' Meeting convened to approve the Financial Statements for the year ending December 31, 2025

YEARS IN OFFICE: 6 YEARS

ATTENDANCE RATE: 100%

Alexandre Bompard is a graduate of Institut d'études politiques de Paris, with a degree in Public law and a postgraduate degree in Economics. He is also a graduate of École Nationale de l'Administration (ENA) (Cyrano de Bergerac class). After graduating from ENA, Alexandre Bompard joined the French General Inspectorate of Finance (1999-2002). He went on to become the technical advisor to François Fillon, then Minister for Social Affairs, Labour and Solidarity (April-December 2003). From 2004 to 2008, he held several positions within the Canal+ group, notably as Chief of Staff for Chairman Bertrand Méheut (2004-2005) and Director of Sport and Public Affairs (June 2005-June 2008). In June 2008, he was appointed Chairman and Chief Executive Officer of Europe 1 and Europe 1 Sport. In January 2011, Alexandre Bompard joined the Fnac group where he was appointed Chairman and Chief Executive Officer. On June 20, 2013, he also launched Fnac's IPO. In the fall of 2015, Fnac offered to take over the Darty group and on July 20, 2016 Alexandre Bompard became Chairman and Chief Executive Officer of the new entity Fnac Darty. He is a *Chevalier de l'Ordre des Arts et des Lettres* (France). Since July 18, 2017, Alexandre Bompard has been Chairman and Chief Executive Officer of Carrefour. In addition, he has chaired the Carrefour Foundation since September 8, 2017.

OTHER POSITIONS HELD AS OF DECEMBER 31, 2023

In France:

- Chairman of the Board of Directors of the Carrefour Foundation (Carrefour group);
- Director of Orange(*);
- Member of the Board of Directors of *Le Siècle* (an independent organisation under French law 1901);
- Member of the *Fondation Nationale des Sciences Politiques.*

POSITIONS HELD IN THE LAST FIVE YEARS THAT EXPIRED

In France:

- Chairman and Chief Executive Officer (Expiry of term: 2017), Director and member of the Corporate, Environmental and Social Responsibility Committee of Fnac Darty(*);
- Chairman and Chief Executive Officer of Fnac Darty Participations et Services (Expiry of term: 2017);
- Member of the Supervisory Committee of Banijay Group Holding (Expiry of term: 2018);
- Member of the Strategic Committee of Lov Banijay (Expiry of term: 2018);
- Member of the Board of Directors of *Le Siècle* (an independent organisation under French law 1901) (Expiry of term: 2019).

Abroad:

- Director of Darty Ltd (United Kingdom) (Expiry of term: 2017).

(*) Listed company.

Philippe Houzé

VICE-CHAIRMAN / *Member of the Audit Committee, Governance Committee and Strategic Committee*

BORN ON: **November 27, 1947**

NATIONALITY: **French**

NUMBER OF COMPANY SHARES OWNED: **2,250**

DATE OF APPOINTMENT TO THE Board of Directors: **June 11, 2015**

LAST REAPPOINTED: **May 21, 2021**

TERM OF OFFICE EXPIRES:
Shareholders' Meeting convened to approve the Financial Statements for the year ending December 31, 2023

YEARS IN OFFICE: 8 YEARS

ATTENDANCE RATE: 100%

Philippe Houzé is Chairman of the Executive Board at Galeries Lafayette, a family-owned group with 130 years of history in fashion, business and retail with brands such as Galeries Lafayette, La Redoute, Louis Pion, Galeries Lafayette-Royal Quartz Paris, Mauboussin and BazarChic.

After graduating from INSEAD Business School, Philippe Houzé began his career with Monoprix in 1969. He was appointed Chief Executive Officer of Monoprix in 1982 and Chairman and Chief Executive Officer in 1994, holding the position until November 2012. He was Co-Chairman of the Galeries Lafayette group from 1998 to 2004 and became Chairman of the Executive Board in 2005.

Philippe Houzé is currently Chairman and Chief Executive Officer of the Galeries Lafayette group, France's largest chain of department stores. With his sales, marketing and fashion industry expertise, he used innovative concepts to transform Monoprix, making it a leading local retailer in town and city centres. As Chairman of the Executive Board of the Galeries Lafayette group, he played a role in making Galeries Lafayette the leading department store in Europe, with the ambition of becoming a benchmark for omni-channel, responsible and innovative business, and promoting the French "Art of Living".

In 2014, Philippe Houzé orchestrated the acquisition of a significant stake in the Carrefour group on behalf of Motier SAS, the Galeries Lafayette family holding company. He led the acquisition of 51% of the share capital of La Redoute in 2017 followed by all of the remaining shares in 2022. In 2015, Philippe Houzé received the "International Retailer of the Year" award on behalf of Galeries Lafayette from the National Retail Federation (NRF), a prestigious American retail trade association bringing together key global industry players.

As a committed stakeholder in the French economy, Philippe Houzé has made a personal commitment to sustainable development: he has been heavily involved in the regeneration of town and city centres while taking into consideration the Galeries Lafayette group's environmental and social responsibilities. As outlined in his book, *La vie s'invente en ville*, he intends to continue working on behalf of inner city areas and help build a brighter future for the next generations. Following in the footsteps of the Group's founders, Philippe Houzé continues to support Galeries Lafayette's commitment to contemporary art and creation.

He supported the launch of the *Fondation d'entreprise Galeries Lafayette*, of which he is a Director. The *Fondation* held its grand opening in March 2018 in the heart of the Marais district in Paris, in a building renovated by Pritzker Prize-winning architect Rem Koolhaas.

He was Lead Director at Carrefour until April 20, 2020, when he became Vice-Chairman of the Board of Directors. He is also a member of the Carrefour group Audit Committee, Governance Committee and Strategic Committee.

As part of his strong commitment to the student community, he is Chairman of the ESCP Business School Board of Directors, a member of the INSEAD Board of Directors and Director of the *Alliance Française*. He is an elected member at the Chamber of Commerce and Industry of Paris (CCIP).

Philippe Houzé is *Commandeur de la Légion d'Honneur*, *Chevalier de l'ordre des Arts et Lettres et des Palmes Académiques et du Mérite Agricole*.

OTHER POSITIONS HELD AS OF DECEMBER 31, 2023

In France:

- Chairman of the Executive Board of Galeries Lafayette;
- Chairman of La Redoute (SAS);
- Vice-Chairman and Chief Executive Officer of Motier (SAS);
- Member of the Supervisory Board of Motier (SAS);
- Director of Lafayette Anticipation-Fondation d'entreprise Galeries Lafayette (Founder);
- Member of the Alliance France Tourisme association;
- Member of the Board of Directors of INSEAD;
- Director and Chairman of the Board of Directors of ESCP Business School (EESC ESCP Europe);
- Member of the Board of Directors of the *Alliance Française Paris Île-de-France*;
- Elected member at the Chamber of Commerce and Industry of Paris Île-de-France (CCIP);
- Member of the *Union du Grand Commerce de Centre Ville* (UCV);
- Member of the Board of Directors of the Maison de la Culture du Japon in Paris;
- Member of the Council (*Grand Conseil*) of the Cercle de l'Union Interalliée.

POSITIONS HELD IN THE LAST FIVE YEARS THAT EXPIRED

In France:

- Director of *Institut Français de la Mode* (IFM) (Expiry of term: 2019);
- Chairman of Guérin Joaillerie SAS (Expiry of term: 2019);
- Vice-Chairman of the *Alliance 46.2 Entreprendre en France pour le Tourisme* association (Expiry of term: 2020);
- Chairman of Motier Domaines SAS (Expiry of term: 2020);
- Director, Chairman of the Appointments Committee and Chairman of the Compensation Committee of HSBC France* (Expiry of term: 2022);
- Chairman of the Supervisory Board of La Redoute SAS (Expiry of term: 2022);
- Member of the Supervisory Committee of BHV Exploitation (Expiry of term: 2021);
- President of the INSEAD France Council.

Abroad:

None.

(*) Listed company.

Stéphane Israël

INDEPENDENT DIRECTOR AND LEAD DIRECTOR / *Chairman of the Audit Committee and member of the Compensation Committee and the Strategic Committee*

BORN ON: January 3, 1971

NATIONALITY: French

NUMBER OF COMPANY SHARES OWNED: 1,500

DATE OF APPOINTMENT TO THE Board of Directors: June 15, 2018

LAST REAPPOINTED: May 21, 2021

TERM OF OFFICE EXPIRES: Shareholders' Meeting convened to approve the Financial Statements for the year ending December 31, 2023

YEARS IN OFFICE: 5 YEARS **ATTENDANCE RATE: 100%**

Following two years of preparatory literature courses at the prestigious Henri IV secondary school in Paris, Stéphane Israël began his tertiary studies in 1991 at École Normale Supérieure where he obtained postgraduate and teaching degrees in history (1993-1995) before going on to attend École Nationale d'Administration (ENA) in 1999.

He taught at Harvard University (1994-1995) and Université de Valenciennes in northern France (1997-1998) and worked for the Chairman of the French National Assembly from 1997 to 1998.

In 2001, he joined the *Cour des Comptes* (second chamber), France's Court of Accounts, as an auditor and was appointed as a senior auditor. In 2004, he contributed to the report on corporate tax competition published by France's Taxation Board. From 2005 to 2007, he also worked as an associate professor at École Normale Supérieure (ENS) in Paris and founded and directed a joint programme with the school to prepare students for the ENA entrance exam.

In 2007, Stéphane Israël joined the Airbus group, where he served as advisor to Louis Gallois, Executive Chairman of EADS (as the group was known at the time), before holding various operational management positions in the group's space division, including in budget and programme control for the ballistic missile project management unit and in the services segment of the European Global Monitoring for Environment and Safety (Copernicus) programme.

From 2012 to 2013, he was Chief of Staff to the French Minister for Productive Recovery (Ministry in charge of industry).

In April 2013, he joined Arianespace SA as Chairman and Chief Executive Officer. In 2017, he became Executive Chairman of Arianespace SAS and joined the Executive Committee of ArianeGroup, a subsidiary of Airbus and Safran. He is also the Chairman of MEDEF International's France-South Korea Business Club and was named a *Chevalier de l'Ordre National de la Légion d'Honneur*.

Stéphane Israël brings to the Board of Directors the skills and expertise he has acquired through his extensive experience in the management of a multinational company, in business strategy and innovation, and in the areas of accounting and finance. His skills and experience make him a valuable member of the Board of Directors and its Audit Committee.

Stéphane Israël was also appointed Lead Director of the Carrefour group on April 20, 2020.

OTHER POSITIONS HELD AS OF DECEMBER 31, 2023

In France:

- Executive Chairman of Arianespace SAS;
- Chief Executive Officer of Arianespace Participation SA;
- Member of the Executive Committee of ArianeGroup;
- Chairman and Chief Executive Officer of Starsem SA;
- President of S3R.

POSITIONS HELD IN THE LAST FIVE YEARS THAT EXPIRED

In France:

- Chairman and Chief Executive Officer of Arianespace Participation SA (Expiry of term: 2017);
- Chairman and Chief Executive Officer of Arianespace SA (Expiry of term: 2017);
- Director and member of the Audit Committee of Havas SA (Expiry of term: 2018);
- Director of CDC International Capital (Expiry of term: 2018).

(*) Listed company.

Cláudia Almeida e Silva

INDEPENDENT DIRECTOR / *Member of the Audit Committee and the CSR Committee*

BORN ON: September 24, 1973

NATIONALITY: Portuguese

NUMBER OF COMPANY SHARES OWNED: 1,100

DATE OF APPOINTMENT TO THE Board of Directors: January 22, 2019

RATIFICATION OF THE APPOINTMENT BY THE Shareholders' Meeting: June 14, 2019

LAST REAPPOINTED: May 21, 2021

TERM OF OFFICE EXPIRES: Shareholders' Meeting convened to approve the Financial Statements for the year ending December 31, 2023

YEARS IN OFFICE: 5 YEARS

ATTENDANCE RATE: 100%

Cláudia Almeida e Silva is Managing Partner of Singularity Capital, an investment fund dedicated to start-ups, and an adviser within the Startup Lisboa incubator.

She began her career in 1997 as a consultant at Coopers & Lybrand in Portugal, then at PricewaterhouseCoopers where she was appointed manager of the Customer Relationship Management (CRM) practice in 1999.

In 2002, Cláudia Almeida e Silva joined the Conforama retail group in Portugal, where she served as Commercial Director in charge of Marketing, Supply Chain and Product Management.

In 2005, she joined Fnac, where she became general manager of the Portuguese subsidiary in 2008 and, from 2013, member of the Group Executive Committee in charge of supervising Spain and Brazil.

She is a graduate of the Lisbon School of Business and Economics, of which she is now an Executive in Residence.

Her in-depth knowledge of the start-up sector and retail experience in Southern Europe and Brazil are valuable assets to support the Group's transformation plan, "Carrefour 2026".

OTHER POSITIONS HELD AS OF DECEMBER 31, 2023

Abroad:

- Managing Director of Singularity Capital SA (Portugal);
- Managing Director of Praça Hub Lda (Portugal).

POSITIONS HELD IN THE LAST FIVE YEARS THAT EXPIRED

Abroad:

- Legal manager of Fnac Portugal (Portugal).

Flavia Buarque de Almeida

DIRECTOR / *Member of the Governance Committee*

BORN ON: August 4, 1967

NATIONALITY: Brazilian

NUMBER OF COMPANY SHARES OWNED: 1,069

DATE OF APPOINTMENT TO THE Board of Directors: April 12, 2017

LAST REAPPOINTED: June 3, 2022

TERM OF OFFICE EXPIRES:
Shareholders' Meeting convened to approve the Financial Statements for the year ending December 31, 2024

YEARS IN OFFICE: 6 YEARS **ATTENDANCE RATE: 100%**

Flavia Buarque de Almeida received her undergraduate degree from Fundaçao Getulio Vargas (1989) and her MBA from Harvard University (1994).

From 1989 to 2003, she was a Consultant and Partner at McKinsey & Company. She also served as an Independent Director of Lojas Renner and as a Director of the Grupo Camargo, which includes Camargo Corrêa, Camargo Corrêa Cimentos (now Intercement), Construções e Comércio Camargo Corrêa, Alpargatas, and Santista Têxtil. In addition, she was Director of Harvard University's Board of Overseers.

From November 2009 to April 2013, she was a Partner with the Monitor group, in charge of its operations in South America. From May 2003 to September 2009, she served as the Managing Director of Participações Morro Vermelho. She was a director of BRF SA from 2018 to 2022.

In July 2013, Flavia Buarque de Almeida joined the Península group as head of the Private Equity business.

She became Managing Director in January 2016 and then Partner at Península Capital later that same year. In June 2019, she became CEO of Península Capital.

She has also been a Director of W2W e-Commerce de Vinhos SA since August 2016 and of Ultrapar Participações SA since May 2019.

Flavia Buarque de Almeida brings to the Board of Directors the benefit of her experience and knowledge of the financial and banking markets, as well as her financial vision of shareholding structures, her knowledge of the mass retail industry, strategy and corporate governance, and her international experience. The Board of Directors will also benefit from her experience in listed companies and her experience as a Director of national and international listed companies.

OTHER POSITIONS HELD AS OF DECEMBER 31, 2023

In Brazil:

- Managing Director and Partner of Peninsula Capital Participações SA;
- Chief Executive Officer of the Península Group;
- Director of W2W E-Commerce de Vinhos SA;
- Director of Ultrapar Participações SA*;
- Member of the Deliberating Council of Instituto Península.

POSITIONS HELD IN THE LAST FIVE YEARS THAT EXPIRED

In Brazil:

- Managing Director of O3 Gestão de Recursos Ltda (Expiry of term: 2021);
- Director of BRF SA* (Expiry of term: 2022);
- Director of Vitamina Chile SPA (Expiry of term: 2022).

(*) Listed company.

Stéphane Courbit

INDEPENDENT DIRECTOR / ***Chairman of the Compensation Committee and member of the Strategic Committee***

BORN ON: **April 28, 1965**

NATIONALITY: **French**

NUMBER OF COMPANY SHARES OWNED: **1,000**

DATE OF APPOINTMENT TO THE Board of Directors: **June 15, 2018**

LAST REAPPOINTED: **May 21, 2021**

TERM OF OFFICE EXPIRES:
Shareholders' Meeting convened to approve the Financial Statements for the year ending December 31, 2023

YEARS IN OFFICE: 5 YEARS

ATTENDANCE RATE: 78%

Stéphane Courbit is the Chief Executive Officer of Lov Group, a company whose main activities include audiovisual production (Banijay), online betting (Betclic), luxury hotels (Airelles) and gastronomy (Ladurée).

Stéphane Courbit brings to the Board of Directors his extensive experience gained as an entrepreneur in the media and Internet sectors and as the head of a global company, as well as his skills and expertise in content production and digital media.

OTHER POSITIONS HELD AS OF DECEMBER 31, 2023

In France:

- Chairman of Lov Group Invest (and member of the Supervisory Board);
- Legal manager of SCI Parking La Garonne;
- Legal manager of SCI James & Co;
- Legal manager of SCI Gordita;
- Legal manager of SCI Blancs Mills;
- Legal manager of SCI Néva Thézillat;
- Legal manager of SARL 5 Thézillat;
- Legal manager of SCI Zust;
- Legal manager of SCI Les Zudistes;
- Legal manager of SCI 607;
- Legal manager of SCI 611;
- Legal manager of SCI Jaysal II;
- Legal manager of SCI Minos;
- Legal manager of SCI Roux Milly;
- Legal manager of SCI Courvalios;
- Legal manager of SCI ClemSC;

As a representative of Lov Group Invest:

- Chairman of Financière Lov (and member of the Supervisory Committee);
- Chairman of Banijay Group;
- Chairman of Banijay Group Holding (and member of the Supervisory Committee);
- Chairman of Betclic Everest Group (and member of the Board of Directors);
- Chairman of Airelles;
- Chairman of Melezin;
- Chairman of Bastide de Gordes & Spa;
- Chairman of Hôtel Château de la Messardière;
- Legal manager of Solières;
- Chairman of Lov Sapineaux;
- Chairman of Lov Immo;
- Chairman of Estoublon Holding;
- Chairman and Chief Executive Officer of Lovestate;
- Chairman of Ormello;
- Chairman of Choucalov;
- Chairman of Fold Holding;
- Chairman of Lov Hotel Collection Holding (and member of the Supervisory Committee);
- Chairman of Lov Hotel Collection;
- Chairman of Clos Bellevarde;
- Chairman of la Genevoise;
- Chairman of LHC Immo;
- Chairman of Chalet Val d'Isère;
- Chairman of Estoublon PGA;
- Chairman of FL Lifestyle;
- Chairman of Fontaine Basse;
- Chairman of Fouquet;
- Chairman of Le Quesnay;
- Chairman of Le Quesnay Immo;
- Chairman of LHCH Venice;
- Chairman of Lov Cosmetics;
- Chairman of Lov & Co;
- Chairman of Lov & Food;
- Chairman of Lov & Lices;
- Chairman of Lov & SPB;
- Chairman of Lov & Z;
- Chairman of Lov Eggo;
- Chairman of Lov Habitat;
- Chairman of Résidence du Roy;
- Chairman of Schuss;
- Chairman of Taillat Holding;
- Chairman of Taillat Immo;
- Chairman of Tropezina Beach Development;
- Chairman of Tropezina Holding.

POSITIONS HELD IN THE LAST FIVE YEARS THAT EXPIRED

In France:

- Chairman of Banijay Holding SAS (Expiry of term: 2019);
- Chairman of Betclic Everest Group (Expiry of term: 2020) (and member of the Board of Directors);
- Legal manager of EURL Zust (Expiry of term: 2021);
- Legal manager of EURL Les Zudistes (Expiry of term: 2021);
- Legal manager of SCI ST Le Phare (Expiry of term: 2021);

As a representative of Lov Group Invest:

- Chairman of LG Industrie SAS (Expiry of term: 2018);
- Chairman of ILR (Expiry of term: 2018);
- Chairman of Chalet de Pierres SAS (Expiry of term: 2018);
- Chairman of Betclic Group (Expiry of term: 2021);
- Chairman of Mangas Lov (Expiry of term: 2022);
- Chairman of LDH (Expiry of term: 2022) and member of the Supervisory Committee;
- Chairman of Lov Banijay (Expiry of term: 2022).

(*) Listed company.

Abilio Diniz

DIRECTOR / *Vice-Chairman of the Strategic Committee*

BORN ON: **December 28, 1936**

NATIONALITY: **Brazilian**

NUMBER OF COMPANY SHARES OWNED: **62,563,160 (directly and indirectly)**

DATE OF APPOINTMENT TO THE Board of Directors: **May 17, 2016**

LAST REAPPOINTED: **June 3, 2022**

TERM OF OFFICE EXPIRES:
Shareholders' Meeting convened to approve the Financial Statements for the year ending December 31, 2024

YEARS IN OFFICE: 7 YEARS

ATTENDANCE RATE: 100%

A seasoned retail professional, Abilio Diniz co-founded Grupo Pão de Açúcar with his father and served as Chairman of the Board of Directors from 1993 to 2013.

He was a member of the Brazilian National Monetary Council between 1979 and 1989.

Abilio Diniz has a degree in Business Administration from Fundação Getúlio Vargas (FGV) and, since 2010, has been teaching a course at FGV called "Leadership 360º", which aims to train and coach young leaders.

He was Chairman of the Board of Directors of BRF, the world's largest animal protein exporter, from 2013 to 2018 and is currently Chairman of the Board of Directors of the Península group, his family's group of investment companies.

Abilio Diniz brings to the Board of Directors his experience and expertise in retail and consumer goods, knowledge of retail business, global strategy, private equity and governance, as well as his financial view of shareholding structures, international knowledge and experience in listed companies and as a Director of national and international listed companies.

OTHER POSITIONS HELD AS OF DECEMBER 31, 2023

In Brazil:

- Director of Atacadão SA(*) (Carrefour group);
- Chairman and Director of Península Participações SA, Zabaleta Participações Ltda and Paic Participações Ltda;
- Director of: Ciclade Participações Ltda., Papanicols Empreendimentos e Participações Ltda., Santa Juliana Empreendimentos e Participações Ltda., Ganesh Empreendimentos e Participações Ltda., Naidiá Empreendimentos e Participações Ltda., Ayann Empreendimentos e Participações Ltda., Chapelco Empreendimentos e Participações Ltda., Edgewood Real Estate LLC, Edgewood Realty Holding Corporation and Plenae Comércio e Serviços Para o Bem-Estar EIRELI.

POSITIONS HELD IN THE LAST FIVE YEARS THAT EXPIRED

In Brazil:

- Chairman of the Board of Directors of BRF (Expiry of term: 2018);
- Director of: Adams Avenue Real Estate LLC, Adams Avenue Realty Holding Corporation (Expiry of term: 2020), Orca SARL, Peninsula Europe SARL (Expiry of term: 2022);
- Chairman and Director of Reco Master Empreendimentos e Participações SA (Expiry of term: 2021);
- Director of Onyx 2006 Participações Ltda (Expiry of term: 2021).

(*) Listed company.

Aurore Domont

INDEPENDENT DIRECTOR / ***Chair of the CSR Committee and Member of the Governance Committee***

BORN ON: **December 20, 1968**

NATIONALITY: **French**

NUMBER OF COMPANY SHARES OWNED: **1,000**

DATE OF APPOINTMENT TO THE Board of Directors: **June 15, 2018**

LAST REAPPOINTED: **May 21, 2021**

TERM OF OFFICE EXPIRES:
Shareholders' Meeting convened to approve the Financial Statements for the year ending December 31, 2023

YEARS IN OFFICE: 5 YEARS

ATTENDANCE RATE: 100%

Aurore Domont holds a Master's degree in Business law from Paris I – Panthéon Sorbonne University. She began her career at CEP Communication before joining the Lagardère Publicité group in 1996, where she notably held the position of Deputy Chief Executive Officer in charge of Radio and Press.

In January 2011, Aurore Domont was appointed Executive Director of Prisma Pub, the advertising arm of the Prisma Media group. In August 2013, she became the President of FigaroMedias and a member of the Executive Committee of the Figaro group.

Aurore Domont brings to the Board of Directors her experience in global and omni-channel communication strategies and in the digital transformation of businesses. Her work has also given her a solid understanding of various areas of digital technology, including data management, social media, programming, mobile and video. Her skills and experience make her a valuable member of the Board of Directors.

OTHER POSITIONS HELD AS OF DECEMBER 31, 2023

In France:

- President of FigaroMedias;
- Director of Figaro Classified;
- Member of the Board of Directors of SRI;
- Member of the Supervisory Board of Mediasquare;
- Member of the Supervisory Board of Figaro;
- Member of the Supervisory Board of Zebestof;
- Member of the Board of Directors of ACPM;
- Member of the Board of the Syndicat des Régies Publishers.

POSITIONS HELD IN THE LAST FIVE YEARS THAT EXPIRED

In France:

- Member of the Board of Directors of Social & Stories (Expiry of term: 2020);
- Member of the Board of Directors of Touchvibes (Expiry of term: 2020);
- President of Social & Stories (Expiry of term: 2022).

(*) Listed company.

Charles Edelstenne

INDEPENDENT DIRECTOR / *Chairman of the Governance Committee and member of the Compensation Committee*

BORN ON: **January 9, 1938**

NATIONALITY: **French**

NUMBER OF COMPANY SHARES OWNED: 1,000

DATE OF APPOINTMENT TO THE Board of Directors: **July 28, 2008**

LAST REAPPOINTED: **June 3, 2022**

TERM OF OFFICE EXPIRES:
Shareholders' Meeting convened to approve the Financial Statements for the year ending December 31, 2024

YEARS IN OFFICE: 15 YEARS

ATTENDANCE RATE: 89%

A qualified chartered accountant (IFEC graduate), Charles Edelstenne joined Dassault Aviation in 1960 as Head of the Financial Analysis Unit.

He went on to hold posts such as Deputy Secretary General, Secretary General and Executive Deputy Chairman, Economic and Financial Affairs, before being appointed to the Board in 1989. He was elected as Chairman and Chief Executive Officer in 2000, a role he held until January 8, 2013.

Founder and Legal manager, Chief Executive Officer and current Honorary Chairman of the Board of Directors of Dassault Systèmes SA.

Charles Edelstenne brings to the Board of Directors his experience as an executive and Director of multinationals and listed companies, as well as his expertise in finance and his knowledge of digital transformation and innovation.

OTHER POSITIONS HELD AS OF DECEMBER 31, 2023

In France:

- Director and Honorary President of Dassault Aviation SA(*);
- Director and Honorary Chairman of the Board of Directors of Dassault Systèmes SE(*);
- Honorary President of GIFAS (Groupement des Industries Françaises Aéronautiques et Spatiales);
- Chairman of Groupe Industriel Marcel Dassault SAS;
- Director, member of the Strategy Committee and member of the CSR Committee of Thales SA(*);
- President and Chairman of the Board of Directors of Dassault Médias SAS;
- President and Chairman of the Board of Directors of Groupe Figaro SASU;
- Chief Executive Officer of Dassault Wine Estates SASU;
- Chairman of Rond-Point Immobilier SAS;
- Legal manager of Rond-Point Investissement EURL;
- Chairman of Société du Figaro SAS;
- Legal manager of ARIE;
- Legal manager of ARIE 2;
- Legal manager of NILI;
- Legal manager of NILI 2;
- Legal manager of SCI Maison Rouge;
- Director of the Monceau Dumas mutual fund.

Abroad:

- Director of Dassault Falcon Jet Corporation (United States);
- Chairman of the Board of Directors of Sitam Belgique SA (Belgium).

POSITIONS HELD IN THE LAST FIVE YEARS THAT EXPIRED

In France:

- Chairman of the Board of Directors of Dassault Systèmes SE (Expiry of term: 2023);
- Chairman and Chief Executive Officer of Dassault Médias SA (Expiry of term: 2019);
- Chairman of Rond-Point Holding SAS (Expiry of term: 2020);
- Director of Sogitec Industries SA (Expiry of term: 2019);
- Member of the Supervisory Board of Groupe Industriel Marcel Dassault SAS (Expiry of term: 2018);
- Chief Executive Officer of Groupe Industriel Marcel Dassault (Expiry of term: 2018);
- Legal manager of real estate company Maison Rouge (Expiry of term: 2022).

Abroad:

- Director of Banque Lepercq de Neuflize & Co. Inc. (United States) (Expiry of term: 2019);
- Director of Dassault International Corp. (United States) (Expiry of term: 2018);
- Director of SABCA(*) (Société Anonyme Belge de Constructions Aéronautiques) (Belgium) (Expiry of term: 2020).

(*) Listed company.

Frédéric Barrault

DIRECTOR REPRESENTING EMPLOYEES

BORN ON: July 25, 1965

NATIONALITY: French

DATE OF DESIGNATION BY THE GROUP COMMITTEE: December 7, 2023

DATE OF INTEGRATION TO THE Board of Directors: December 15, 2023

TERM OF OFFICE EXPIRES: December 7, 2026

YEARS IN OFFICE: 1 MONTH

ATTENDANCE RATE: 100%

In 1987, Frédéric Barrault began his career in the retail industry when he joined the Montlaur group as manager of a store in Lattes, near Montpellier. He joined the Carrefour group in 1992 following its acquisition of Montlaur, becoming manager of the Saint-Jean-de-Vedas hypermarket.

Elected union delegate in the Toulouse Purpan shop in 2006, he became a Central Works Council member at Sogara and then at Carrefour hypermarkets. He was also a member of the Group Committee for eight years.

From 2012 to 2019, Frédéric Barrault was secretary in charge of the food retail section of the French federation of management trade unions (Fédération CFE-CGC). Then, from 2020 to November 2023, he was head of communications for the same federation.

Frédéric Barrault brings to the Board of Directors his knowledge of the retail industry. His vision, which takes into account both economic and labour issues, has been shaped by his experience working with trade unions.

OTHER POSITIONS HELD AS OF DECEMBER 31, 2023

None.

POSITIONS HELD IN THE LAST FIVE YEARS THAT EXPIRED

In France:

- Trade union delegate for Carrefour Toulouse Purpan (Expiry of term: 2014)
- Member of the Sogara Works Council (Expiry of term: 2013);
- Member of the Carrefour hypermarkets Works Council (Expiry of term: 2019);
- Member of the Group Committee (Expiry of term: 2018);
- Secretary in charge of the food retail section of the French federation of management trade unions (Fédération CFE-CGC) (Expiry of term: 2019);
- Head of communications for the food industry section of the French federation of management trade unions (Fédération CFE-CGC) (Expiry of term: 2023).

Mathilde Lemoine

DIRECTOR

BORN ON: September 27, 1969

NATIONALITY: French

NUMBER OF COMPANY SHARES OWNED: 2,982

DATE OF APPOINTMENT TO THE Board of Directors: May 20, 2011

LAST REAPPOINTED: May 21, 2021

TERM OF OFFICE EXPIRES: Shareholders' Meeting convened to approve the Financial Statements for the year ending December 31, 2023

YEARS IN OFFICE: 12 YEARS **ATTENDANCE RATE: 100%**

With a PhD in economics, Mathilde Lemoine is an economist specialising in macroeconomic issues and international trade.

She started her career as a teacher and researcher and subsequently held the position of Economist and General Secretary of the *Observatoire Français des Conjonctures Économiques* (OFCE). She then became a member of several ministerial offices where she contributed her knowledge of international macro-economic affairs, helped to prepare Ministerial Conferences at the WTO and was responsible for advising the Prime Minister on tax matters. She was an external examiner (*rapporteur*) for the Expert Conference on the Climate and Energy Contribution (2009) and a member of the Commission for the Liberation of Growth, known as the Attali Commission (2010). She participated in a government task force reporting on the competitiveness drivers of French industry, and contributed her expertise on the French economy. She was a member of the *Conseil d'Analyse Économique* and the *Commission Économique de la Nation*. In 2013, she was appointed to the *Haut Conseil des Finances Publiques* (HCFP) for a five-year renewable term, in which role she analysed public finance in France and its consistency with European commitments. From 2006 to 2015, she was Director of Economic Research and Market Strategy at HSBC France and member of the Executive Committee and Senior Economist at HSBC Global Research.

She is currently Group Chief Economist of Edmond de Rothschild. She joined the group to set up an Economic Research department and lead a team of economists to perform structural analyses, risk mapping and international macroeconomic forecasts and scenarios. At the same time, she is continuing her work on human capital and its valuation. She has also been a Professor at Sciences Po Paris since 1996.

Mathilde Lemoine has published numerous books and analyses on international macroeconomic issues, monetary policy and financial issues. She recently published work on the investment in human capital, employee mobility and the link between skills and competitiveness. She is an editorialist for *Les Échos* (France), *Expansión* (Spain), *L'Agefi* (Switzerland) and *L'Agefi Hebdo* (France). Her latest book is *Les grandes questions d'économie et de finance internationales* (published by Boeck, 3rd edition, 2016).

Mathilde Lemoine brings to the Board of Directors her experience as a director of international organisations, her knowledge of financial markets and her expertise in macroeconomics and corporate social responsibility (human capital, the energy transition, etc.).

OTHER POSITIONS HELD AS OF DECEMBER 31, 2023

In France:

- Director of CMA-CGM, member of the Audit Committee and the Appointments and Compensation Committee;
- Member of the Supervisory Board of Eurazeo.

POSITIONS HELD IN THE LAST FIVE YEARS THAT EXPIRED

In France:

- Member of the Board of Directors of Dassault Aviation SA(*) (Expiry of term: 2021);
- Member of the Board of Directors of École Normale Supérieure (Expiry of term: 2019);
- Member of the Haut Conseil des Finances Publiques (Expiry of term: 2018).

(*) Listed company.

Patricia Moulin Lemoine

DIRECTOR / *Member of the CSR Committee*

BORN ON: February 20, 1949

NATIONALITY: French

NUMBER OF COMPANY SHARES OWNED: 1,167

DATE OF APPOINTMENT TO THE Board of Directors: June 11, 2015

LAST REAPPOINTED: May 21, 2021

TERM OF OFFICE EXPIRES:
Shareholders' Meeting convened to approve the Financial Statements for the year ending December 31, 2023

YEARS IN OFFICE: 8 YEARS

ATTENDANCE RATE: 100%

After graduating from Institut d'études politiques de Paris in 1970 with a public service degree, she was admitted as an attorney in 1971 and practised between 1972 and 2014 with expertise in employment, commercial, intellectual property and family law.

In addition, she taught civil and insurance law to employees of Assurances Générales de France (1977-1994) and labour law at the University of Paris VIII's Sociology department (1985-1992).

Patricia Moulin Lemoine brings to the Board of Directors her knowledge of the retail sector, as well as experience in corporate governance and corporate social responsibility.

OTHER POSITIONS HELD AS OF DECEMBER 31, 2023

In France:

- Chief Executive Officer of Motier SAS;
- Member of the Supervisory Board of Motier SAS;
- Chair of the Supervisory Board of Galeries Lafayette SA;
- Chair of Grands Magasins Galeries Lafayette (SAS);
- Member of the Supervisory Board of S2F Flexico;
- Vice-Chair of the French-American Foundation France;
- Member of the Supervisory Board of Banque Transantlantique.

POSITIONS HELD IN THE LAST FIVE YEARS THAT EXPIRED

In France:

- Director of Théatre Labruyère (Expiry of term: 2018);
- Vice-Chair of the Supervisory Committee of BHV Exploitation (SAS) (Expiry of term: 2022);
- President of Immobilière du Marais (SAS) (Expiry of term: 2022).

Arthur Sadoun

INDEPENDENT MEMBER / *Member of the Governance Committee*

BORN ON: May 23, 1971

NATIONALITY: French

NUMBER OF COMPANY SHARES OWNED: 1,000

DATE OF APPOINTMENT TO THE Board of Directors: September 7, 2021

RATIFICATION OF THE APPOINTMENT BY THE Shareholders' Meeting: Shareholders' Meeting convened to approve the Financial Statements for the year ending December 31, 2021

TERM OF OFFICE EXPIRES: Shareholders' Meeting convened to approve the Financial Statements for the year ending December 31, 2023

YEARS IN OFFICE: 2 YEARS

ATTENDANCE RATE: 100%

Arthur Sadoun, 52, is Chairman of the Management Board of Publicis Groupe, the world's second-largest communications group.

He began his career in Chile, where he set up his own advertising agency, which he later sold to BBDO/Chile.

Upon his return to France in 1997, he joined the TBWA network (Omnicom) as International Director of Strategic Planning and became CEO of TBWA/Paris in 2003. Under his leadership and for four consecutive years, TBWA/Paris was awarded Agency of the Year at the Cannes Lions International Festival of Creativity.

At the end of 2006, Arthur Sadoun was appointed CEO of Publicis Conseil, the flagship of the Group founded by Marcel Bleustein-Blanchet and previously headed by Maurice Lévy.

In April 2011, Arthur Sadoun was appointed Managing Director of Publicis Worldwide, the group's global network of creative agencies, before being appointed CEO in October 2013.

In December 2015, he was appointed CEO of Publicis Communications, the creative solutions arm of Publicis Groupe comprising the networks of Leo Burnett, Saatchi & Saatchi, Publicis Worldwide, BBH, MSLGROUP and Prodigious.

Arthur Sadoun took up his post as Chairman of the group's Management Board on June 1, 2017 and became the third head of Publicis Groupe in its 91-year history, following in the footsteps of Maurice Lévy and founder Marcel Bleustein-Blanchet.

Since then, Arthur Sadoun has accelerated the digital transformation initiated by Maurice Lévy, particularly by making the largest acquisition in the sector with Epsilon, a data and technology leader. The group has won a series of major new contracts, putting Publicis at the top of the industry rankings for the past three years. Arthur Sadoun is a graduate of the European Business School and holds an MBA from INSEAD.

OTHER POSITIONS HELD AS OF DECEMBER 31, 2023

In France:

- Chairman of the Management Board of Publicis Groupe SA(*) (France);
- Chairman and CEO of Publicis Conseil SA (France);

Abroad:

- Director of BBH Holdings Limited (UK);
- Director of MMS USA Investments, Inc (USA);
- Director of MMS USA Holdings, Inc (USA).

POSITIONS HELD IN THE LAST FIVE YEARS THAT EXPIRED

In France:

None.

(*) Listed company.

Sylvie Dubois

DIRECTOR REPRESENTING EMPLOYEES

BORN ON: **July 4, 1965**

NATIONALITY: **French**

DATE OF DESIGNATION BY THE EUROPEAN WORKS COUNCIL (*COMITÉ D'INFORMATION ET DE CONCERTATION EUROPÉEN CARREFOUR*), AND INFORMATION COMMITTEE:
October 18, 2023

DATE OF INTEGRATION TO THE Board of Directors: **October 25, 2023**

TERM OF OFFICE EXPIRES: **October 18, 2026**

YEARS IN OFFICE: 2 MONTHS **ATTENDANCE RATE: 100%**

Sylvie Dubois started working in the retail industry in 1984 as a member of the checkout staff at a Catteau group supermarket in Aire-sur-la Lys, France. Following the Promodès group's takeover of the Catteau group and the merger between the Promodès and the Carrefour groups in 2000, the banner changed its name from Continent to Carrefour.

Sylvie Dubois has held a variety of positions as representative within the Group. From 2002 to 2010, she was an employee representative and member of the Aire-sur-la Lys Store Committee. In July 2010, she joined the Carrefour La Chapelle-Saint-Luc hypermarket as a self-service employee, and was elected in its staff elections in July 2011. At the same time, Sylvie Dubois was also elected to the Works Council and the Carrefour SAS Central Works Council.

In 2012, she became a member of the Carrefour Solidarity Fund Commission and then, in 2017, a member of the APGIS social security fund.

Sylvie Dubois became Deputy Secretary of the Aube branch of the Union Départementale Force Ouvrière and a member of the Troyes labour tribunal (*Conseil de prud'hommes*) in 2018.

In 2019, she joined the Group Committee.

Over the period 2018 to 2021, she was a permanent member then an alternate member of the Board of Directors of the Aube social benefits office (*Caisse d'allocations familiales*), where she participated in the social affairs and the dispute resolutions commissions.

Sylvie Dubois brings to the Board of Directors her experience working directly with customers and her precise knowledge of the Group's formats and markets.

OTHER POSITIONS HELD AS OF DECEMBER 31, 2023

In France:

- Deputy Secretary of the Aube branch of the Union Départementale Force Ouvrière (Expiry of term: October 2024);
- Member of the Troyes labour tribunal (Expiry of term: December 2025);
- Alternate member of the Board of Directors of the Aube social benefits office (Expiry of term: December 2025).

POSITIONS HELD IN THE LAST FIVE YEARS THAT EXPIRED

In France:

- Staff representative and member of the Aire-sur-la Lys Store Committee (Expiry of term: 2010);
- Staff representative and member of the La Chapelle-Saint-Luc Store Committee (Expiry of term: 2023);
- Member of the Continent 2001 Central Works Council (Expiry of term: December 2013);
- Member of the Carrefour SAS Central Works Council (Expiry of term: May 2023);
- Member of the Carrefour Solidarity Fund Commission (Expiry of term: May 2023);
- Member of the APGIS social security fund (Expiry of term: May 2023);
- Member of the Group Committee (Expiry of term: May 2023);
- Permanent member of the Board of Directors of Aube social benefits office (Expiry of term: 2021).

Marie-Laure Sauty de Chalon

INDEPENDENT DIRECTOR / *Member of the Audit Committee*

BORN ON: **September 17, 1962**

NATIONALITY: **French**

NUMBER OF COMPANY SHARES OWNED: **2,000**

DATE OF APPOINTMENT TO THE Board of Directors: **June 15, 2017**

LAST REAPPOINTED: **May 29, 2020**

TERM OF OFFICE EXPIRES:
Shareholders' Meeting convened to approve the Financial Statements for the year ending December 31, 2025

YEARS IN OFFICE: 6 YEARS

ATTENDANCE RATE: 100%

Marie-Laure Sauty de Chalon is a graduate of Institut d'études politiques de Paris and has a degree in law. After working in print media and television, she founded Carat Interactive in 1997.

In 2001, she was Chair and Chief Executive Officer of Consodata North America. Following this experience, in 2004, she became Head of Aegis Media France and Southern Europe.

Between 2010 and 2018, she held the position of Chair and Chief Executive Officer of Auféminin. In July 2018, she founded Factor K, in which the NRJ group subsequently acquired a minority holding. Marie-Laure Sauty de Chalon has also been a member of the French competition authority (*Autorité de la concurrence*) since 2014 and teaches at Institut d'études politiques de Paris.

Marie-Laure Sauty de Chalon brings to the Board of Directors her digital expertise and experience working internationally at companies blending online retail and content, which will help the Group achieve its digital transformation.

OTHER POSITIONS HELD AS OF DECEMBER 31, 2023

In France:

- Member of the Supervisory Board of JCDecaux SA(*);
- Director and member of the Ethics and Sustainable Development Committee and the Performance Audit Committee of LVMH Moët Hennessy-Louis Vuitton (SE)(*);
- Chair of the Board of Directors, Institut pour le financement du cinéma et des industries culturelles (IFCIC).

POSITIONS HELD IN THE LAST FIVE YEARS THAT EXPIRED

In France:

- Chair and Chief Executive Officer of Auféminin SA(*) (Expiry of term: 2018);
- Managing Director of Auféminin.com Productions SARL (Expiry of term: 2018);
- Chair of Etoilecasting.com SAS (Expiry of term: 2018);
- Chair of Les rencontres auféminin.com SAS (Expiry of term: 2018);
- Chair of Marmiton SAS (Expiry of term: 2018);
- Member of the Supervisory Board of My Little Paris SAS (Expiry of term: 2018);
- Member of the Board of the French competition authority (*Autorité de la concurrence*) (Expiry of term: 2023);
- Director of Coorpacademy (Expiry of term: 2023).

Abroad:

- Co-Managing Director of GoFeminin.de GmbH (Germany) (Expiry of term: 2018);
- Director of SoFeminin.co.uk Ltd (United Kingdom) (Expiry of term: 2018).

(*) Listed company.

3.2.2 OPERATION OF THE BOARD OF DIRECTORS

3.2.2.1 Conditions of preparation and organisation of the Board of Directors' work

The Board of Directors' Internal Rules stipulate that the Board of Directors meet at least four times a year.

They set out the conditions under which the work of the Board of Directors is prepared and organised. They supplement the legal and statutory provisions and the recommendations of the AFEP-MEDEF Code to which the Company refers.

The Board of Directors' Internal Rules are divided into three chapters, relating to:

- the role, procedures and assessment of the Board of Directors, as well as Directors' compensation;
- the specialised Committees of the Board of Directors and their respective standard rules and guidelines, composition and duties;
- the Directors' rights and responsibilities.

The Board of Directors' Internal Rules aim to organise the work of the Board of Directors and its specialised Committees, define the powers of the Board of Directors and describe the Directors' rights and responsibilities with respect to the corporate governance best practices to which the Board of Directors refers. The Internal Rules are updated by the Board of Directors in order to take into account legal and regulatory changes and corporate governance practices.

In 2023, the Board of Directors held discussions without the Chairman and Chief Executive Officer in attendance, notably on topics related to his compensation, in accordance with recommendation 18.3 of the AFEP-MEDEF Code.

Each new Director must adhere to the Directors' Guide, which includes the rules of conduct and responsibilities to which each Director is bound, in accordance with the applicable legal and regulatory provisions, the Board of Directors' Internal Rules and the recommendations in the AFEP-MEDEF Code to which the Company refers.

All Directors are required to independently perform their duties with integrity, loyalty and professionalism. They must act in all circumstances in the Company's interest. When participating in the Board of Directors' deliberations and voting, they do so in their capacity as representatives of the Company's shareholders.

Stock market ethics

The Group has taken note of Regulation (EU) no. 596/2014 of July 3, 2016 on market abuse, replacing the January 28, 2003 European directive, which establishes new rules and measures applicable to listed companies and their Executive Officers and Company officers regarding inside information.

Directors are affected in particular by the regulation regarding the prevention of insider dealing and misconduct, both on a personal level and as regards the duties they perform at companies which are shareholders of the Company, and they must also adhere to the Stock Market Ethics Charter put in place by the Company. Information considered to be sensitive and confidential, as well as information considered to be inside information under the applicable regulation, must therefore be kept confidential. Such information is no longer considered confidential once it is published by the Company through a press release, it being specified that only the information communicated in this way is no longer considered to be confidential. Directors are also required to refrain from carrying out or attempting to carry out any transactions in Company shares during closed periods, particularly those relating to the publication of annual, half-yearly and quarterly financial information.

Managing conflicts of interest

In accordance with the Board of Directors' Internal Rules, the Directors are also made aware of the rules relating to conflicts of interest. A conflict of interest exists in situations in which a Director or a member of his/her family could personally benefit from how the Company's business is run, or in which the Director or his/her family member could have any type of relationship or connection with the Company, its affiliates or its management that could compromise his/her free exercise of judgement.

Each Director shall endeavour to avoid any conflicts of interest that may exist between his/her moral and material interests and those of the Company.

As soon as they become aware of any situation involving a real or potential conflict of interest with the Company and its affiliates, Directors must inform the Board of Directors, and more specifically the Lead Director, and must refrain from participating in such deliberations and from voting on the related resolution.

Directors must therefore promptly inform the Chairman of the Board of Directors and the Lead Director of any agreement which they or a company of which they are a Director, in which they hold a significant stake, either directly or indirectly, or in which they have a direct interest, entered into with the Company or one of its affiliates, or which has been entered into through an intermediary.

The Chairman of the Board of Directors may at any time ask the Directors to sign a statement certifying that they do not have any conflicts of interest to declare. In addition, the Board of Directors has not been asked to issue an opinion regarding any new positions accepted by the Executive Officers in listed companies outside the Group.

Company Officers' statement

There are no family relationships between the Company Officers (Directors, the Chairman and Chief Executive Officer), with the exception of Patricia Moulin Lemoine and Philippe Houzé, who are related by marriage (sister-in-law and brother-in-law).

To the Company's knowledge and as of the date this Universal Registration Document was prepared, in the past five years no Company Officers have been:

- convicted of fraud;
- involved in a case of bankruptcy, receivership or liquidation in their capacity as a Company Officer;
- subject to an official public sanction by statutory or regulatory authorities (including designated professional bodies);
- prevented by a court from acting as a member of a Board of Directors or of a Management or Supervisory Board, or from being involved in an issuer's management or business operations.

To the Company's knowledge and as of the date this Universal Registration Document was prepared, no real or potential conflict of interest has been identified between the duties of any Company Officers (Directors, the Chairman and Chief Executive Officer) with respect to the Company and their private interests and/or other duties than those described in the section, "Managing conflicts of interest", above.

To the Company's knowledge and as of the date this Universal Registration Document was prepared, there are no arrangements or agreements in place with the main shareholders, customers, suppliers or other parties whereby one of the Company Officers has been selected as a member of one of their Boards of Directors, Management or Supervisory Boards, or as a member of their Executive Management.

To the Company's knowledge and as of the date this Universal Registration Document was prepared, none of the Company Officers are bound to the Company or to one of its affiliates by a service contract.

3.2.2.2 Duties of the Board of Directors

The Board of Directors approves the Company's business strategy and oversees its implementation. It examines and decides on major transactions. The Directors are kept informed of changes in the markets and the competitive environment, as well as the key issues that the Company faces, including those related to social and environmental responsibility.

According to its Internal Rules, the Board of Directors' duties include, *inter alia*:

- approving the Company's strategy and overseeing its implementation;
- setting any necessary limits on the powers of the Chairman and Chief Executive Officer;
- in particular, it:
  - conducts any controls and audits it deems appropriate,
  - controls the Company's management methods and verifies the fairness of its financial statements,
  - examines and approves the financial statements, establishes the agenda for Shareholders' Meetings to which it reports on its activities in the annual report and approves the various statutory and regulatory reports,
  - examines related-party agreements and gives prior approval;
- ensuring that high-quality financial information and relevant, balanced and instructive information on the Company's strategy, development model and plans for addressing major non-financial issues are provided to shareholders and investors;
- each year, on the recommendation of the Governance Committee, drawing up the list of Directors qualified as independent, with respect to AFEP-MEDEF Code criteria;
- examining the budget once a year and overseeing its implementation.

3.2.2.3 Work of the Board of Directors in 2023

Having considered the summaries prepared by the Audit, Governance, Compensation, CSR and Strategic Committees with respect to their work, the Board of Directors mainly focused its work on the following areas:

Area	Work
Financial management	■ review of the work of the Audit Committee; ■ approval of the annual and half-yearly company and consolidated financial statements and the related reports and draft of press releases; ■ review of quarterly gross sales and draft of related press releases; ■ authorisation to implement a share buyback programme for a total amount of 800 million euros; ■ decision to cancel the shares bought back via two capital reductions; ■ approval of forecast management documents; ■ renewal of the annual authorisations granted to the Chairman and Chief Executive Officer with regard to bond issues and guarantees; ■ review of the Group's financing policy and commitments; ■ approval of the 2024 budget.
Monitoring of the Group's strategy, its activities and its operations	■ regular updates on the progress of various projects relating to the Group's transformation; ■ approval of the acquisition of the Cora and Match banners in France; ■ information on the economic and competitive climate, the market performance of the Carrefour share and financial rating issues.
Governance	■ monitoring the work of the Governance Committee; ■ approval of the corporate governance report; ■ discussions about possible changes to the Company's governance and proposal to renew the terms of office of the following Directors: Alexandre Bompard and Marie-Laure Sauty de Chalon; ■ annual assessment of the independence of the Directors; ■ annual assessment of the Board of Directors.
Compensation	■ monitoring the work of the Compensation Committee; ■ decision on the components of compensation and the compensation policy for the Chairman and Chief Executive Officer for the 2023 financial year; ■ approval of the 2023 compensation policy for Directors; ■ implementation of an employee plan.

Area	Work
CSR	■ monitoring the work of the CSR Committee; ■ information on the 2023 CSR results, particularly as regards the "food transition" programmes in each country and priority issues for Carrefour, grouped according to the following topics: healthy eating, local, organic, children and babies, increasing fruit and vegetable consumption, transparency and responsible pricing; ■ review of the Group's gender equality policy; clarification of the Company's targets in relation to the fight against global warming under the 24th resolution on the quantification of the Company's various Scope 3 initiatives approved by the Shareholders' Meeting of May 26, 2023; ■ raising of the Group's CSR objectives; and ■ monitoring of the CSR and Food Transition Index.
Shareholders' Meeting of May 26, 2023	■ Notice of Meeting, agenda, draft resolutions and the Board of Directors' report to the Shareholders' Meeting; ■ setting of the dividend distribution policy; ■ annual review of the related-party agreements entered into during the year; ■ submission for the approval of the Shareholders' Meeting the information relating to the compensation of the Company officers referred to in Article L. 22-10-9 I of the French Commercial Code, the components of compensation due or awarded for the 2022 financial year to Alexandre Bompard, Chairman and Chief Executive Officer, the 2023 compensation policy for the Chairman and Chief Executive Officer and the 2023 compensation policy for Directors.

3.2.2.4 Assessment of the Board of Directors

In accordance with its Internal Rules, the Board of Directors frequently assesses its procedures and the fulfilment of its duties. Accordingly, it reviews its operating procedures and the quality of the information published and of its decision-making and discussions, as well as each Director's actual contribution to the work of the Board of Directors and its specialised Committees.

To this end, the Board of Directors has to dedicate an agenda item to these procedures once a year.

For the 2023 financial year, the Board of Directors conducted an annual self-assessment. For this purpose, a questionnaire was prepared and sent to each Director. A summary of the self-assessment results was prepared by the Chairman of the Governance Committee and the Lead Director and was presented to the Board of Directors on March 13, 2024.

The assessment shows that the Directors are very satisfied with the overall procedures of the Board of Directors and its Committees, as well as their involvement in the Group's strategy. The Board members' main observations related to the proper execution of the Company's strategic guidelines by the management team, the complementary skills of the members of the Board of Directors, the quality of interaction and dialogue within the Board, as well as the efficiency of the Board of Directors' meetings (freedom of speech, transparency, relevance of the subjects presented). Board members' observations were taken into consideration in 2023 and will continue to be taken into account in 2024, notably with the organisation of strategic sessions and ad hoc meetings with operational executives during the year, particularly as part of the process of preparing the Carrefour 2026 strategic plan, and starting in 2023, with a seminar organized in Brazil and Board discussions, led by the Independent Lead Director, held without the presence of the Executive Officer.

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3.2.2.5 Frequency of and attendance at Board of Directors and specialised Committee meetings in 2023

The Board of Directors and its specialised Committees met 23 times in 2023, with an average attendance rate of 99%.

24 meetings

99% average attendance rate

The Board of Directors met nine times in 2023, with an average attendance rate of 98%.

15 members

9 meetings

98% attendance rate

Director	Board of Directors	Audit Committee	Compensation Committee	Governance Committee	CSR Committee	Strategic Committee
Alexandre Bompard *Chairman and Chief Executive Officer*	100%	-	-	-	-	100%
Stéphane Israël *Lead Director*	100%	100%	100%	-	-	100%
Philippe Houzé *Vice-Chairman*	100%	100%	-	100%	-	100%
Cláudia Almeida e Silva	100%	100%	-	-	100%	-
Flavia Buarque de Almeida	100%	-	-	100%	-	-
Stéphane Courbit	78%	-	100%	-	-	100%
Abilio Diniz	100%	-	-	-	-	100%
Aurore Domont	100%	-	-	100%	100%	-
Charles Edelstenne	89%	-	100%	100%	-	-
Frédéric Barrault	-	-	-	-	-	-
Mathilde Lemoine	100%	-	-	-	-	-
Patricia Moulin Lemoine	100%	-	-	-	100%	-
Arthur Sadoun	100%	-	-	100%	-	-
Sylvie Dubois	100%	-	-	-	-	-
Marie-Laure Sauty de Chalon	100%	100%	-	-	-	-

3.2.3 BOARD OF DIRECTORS' SPECIALISED COMMITTEES

The Board of Directors has set up specialised Committees that review any questions submitted to them for their opinion by the Board of Directors or the Chairman of the Board of Directors.

To take into account the nature and specific characteristics of the Company's operations, the Board of Directors created the following specialised Committees:

- the Audit Committee;
- the Compensation Committee;
- the Governance Committee (formerly Appointments Committee);
- the CSR Committee;
- the Strategic Committee.

The specialised Committees are made up of Directors appointed by the Board of Directors for the period during which they are in office. At its meeting on March 22, 2023, the Board of Directors, on the recommendation of the Governance Committee, decided to appoint Stéphane Courbit as Chairman of the Compensation Committee, Marie-Laure Sauty de Chalon as a member of the Audit Committee, Arthur Sadoun as a member of the Governance Committee and Stéphane Israël, Independent Lead Director and member of the Audit Committee, to the Strategic and Compensation Committees.

These specialised Committees regularly report to the Board of Directors on their work and also submit their observations, opinions, proposals or recommendations to the Board. To this end, the Chair of each specialised Committee (or, if they are unavailable, another member of the same specialised Committee) gives an oral summary of their work to the Board of Directors at its upcoming meeting.

Duties of these specialised Committees have not been set up to be delegated powers that have been conferred to the Board of Directors in accordance with legal provisions or the Articles of

Association. The specialised Committees have consultative power and conduct their work under the responsibility of the Board of Directors, which alone has statutory decision making power and which remains collectively responsible for the fulfilment of its duties.

The Chairman of the Board of Directors ensures that the number, duties, composition and operation of the specialised Committees are adapted to the needs of the Board of Directors and best corporate governance practices at all times.

Each specialised Committee, except for the Strategic Committee, is chaired by an Independent Director appointed from among its members.

The secretary of each specialised Committee is an individual selected by its Chair.

These specialised Committees meet as often as necessary on the invitation of their Chair, or at the request of one-half of their members. They may call upon external experts where needed.

The Chair of a specialised Committee may ask the Chairman of the Board of Directors to interview any of the Group's senior executives regarding issues falling within the specialised Committees' scope, as defined by the Board of Directors' Internal Rules.

Changes in the composition of the Board of Directors' specialised Committees in 2023 are summarised in the following table:

	Departures	**Appointments**
Audit Committee	Mathilde Lemoine	Marie-Laure Sauty de Chalon
Compensation Committee	Mathilde Lemoine Thierry Faraut	Stéphane Israël
Governance Committee	Thierry Faraut	Arthur Sadoun
CSR Committee	Marie-Laure Sauty de Chalon Martine Saint-Cricq	
Strategic Committee	-	Stéphane Israël

3.2.3.1 The Audit Committee

The Audit Committee meets at least four times a year.

Composition

On December 31, 2023, 75% of the Audit Committee members qualified as Independent Directors within the meaning of the AFEP-MEDEF Code (which recommends that at least two-thirds of members be independent). In addition, the Committee is chaired by an Independent Director.

4 members **5 meetings** **100% attendance rate**

At December 31, 2023, the composition of the Audit Committee was as follows:

Chairman: **Stéphane Israël(1);**
Members: **Cláudia Almeida e Silva(1), Philippe Houzé and Marie-Laure Sauty de Chalon(1).**

(1) Independent Director.

At March 13, 2024, the composition of the Audit Committee was as follows: Stéphane Israël (Chairman and Independent Director), Cláudia Almeida e Silva (Independent Director), Philipe Houzé, Marie-Laure Sauty de Chalon (Independent Director) and Marguerite Bérard (Independent Director) subject to approval by the Shareholders' Meeting i.e., an 80% independence rate.

In accordance with Article L. 823-19 of the French Commercial Code and the AFEP-MEDEF Code, the members of the Audit Committee must have expertise in finance and accounting. In addition to his experience with the French Court of Accounts, the Chairman of the Audit Committee, Stéphane Israël, an Independent Director, has sufficient professional experience in management and direction of international groups to be considered an expert in finance, as described in his biography in Section 3.2.1.3 of this Universal Registration Document. The other members of the Committee also have finance skills derived from their experience, professional background and training as described in Section 3.2.1.3 of this Universal Registration Document.

Duties

The Audit Committee monitors issues relating to the preparation and verification of accounting and financial information. Its main duties are as follows:

- **in respect of the review of the financial statements:**
  - it ensures that the accounting methods adopted to prepare the company and consolidated financial statements are relevant and consistent before they are submitted to the Board of Directors; it monitors the procedures used to prepare the financial statements and assesses the validity of the methods used to present material transactions; it ensures that the time frame for providing the financial statements and reviewing them is adequate,
  - it monitors the process for preparing financial information and, where applicable, makes recommendations to ensure the integrity of such information; it is provided with the main financial communication documents,
  - it monitors the effectiveness of the internal control, risk management and, where applicable, Group internal audit systems relating to the preparation and processing of accounting and financial information, without compromising its independence; it ensures that such systems are in place and implemented, and that corrective measures are undertaken in the event that any significant failings or anomalies are identified. To this end, the Statutory Auditors and the Group internal audit and risk control managers submit their main findings to the Committee,

- it consults the Group internal audit and risk control managers and issues its opinion on the organisation of their services. It must be kept informed about the Group internal audit programme and must be provided with the Group internal audit reports or a regular summary of these reports,
- it examines the risks and material off-balance sheet commitments, assesses the significance of any malfunctions or failings of which it is informed and notifies the Board of Directors thereof; to this end, the review of the financial statements must be accompanied by a presentation prepared by Executive Management describing the Company's risk exposure and its material off-balance sheet commitments, as well as a presentation prepared by the Statutory Auditors highlighting both the key findings of their statutory audit, including any audit adjustments and significant internal control failings identified during their engagement, and accounting options applied; it examines the section of the management report presented to Shareholders' Meeting covering internal control and risk management procedures,
- it regularly reviews the mapping of the Group's main risks that may be reflected in the accounts or which have been identified by Executive Management and may have an impact on the financial statements; it takes note of the main characteristics of the risk management systems and the results of their operations, drawing in particular on the work of the internal audit and risk control managers and the Statutory Auditors,
- it examines the scope of consolidation and, where applicable, the reasons why certain companies are not included in said scope.

- **in respect of relations with the Statutory Auditors:**

  the Statutory Auditors must submit to the Audit Committee:

  - their general work programme and the sampling procedures used,
  - their proposed amendments to the financial statements or accounting documents and their comments on the assessment methods used,
  - any irregularities or inaccuracies they have identified,
  - the conclusions of the comments and amendments with regard to the results of the period compared with those of the previous period,
  - an additional audit report prepared in accordance with the regulations in force setting out the findings of the statutory audit, by no later than the date of submission of the audit report,
  - the Committee consults with the Statutory Auditors, in particular during the meetings covering the review of the process for preparing the financial information and reviewing the financial statements, to enable them to report on the performance and findings of their engagement. The Statutory Auditors accordingly inform the Committee of the main areas of risk or uncertainty regarding the financial statements they have identified, their audit approach and any difficulties they encountered during their engagement,
  - the Statutory Auditors also inform the Committee of any significant internal control failings they have identified during their engagement concerning the procedures relating to the preparation and processing of accounting and financial information.

- **in respect of the rules governing the independence and objectivity of the Statutory Auditors:**

  - it recommends the Statutory Auditor selection process to the Board of Directors and oversees said process. If a tendering procedure is used, the Committee supervises the procedure and validates the specifications and choice of firms consulted; it submits a recommendation to the Board of Directors on the Statutory Auditor(s) proposed by the Shareholders' Meeting and also submits a recommendation to the Board of Directors at the time when the terms of office of the Statutory Auditor(s) are to be renewed, in accordance with the regulations in force,
  - it monitors the performance of the Statutory Auditors' engagement; it considers the findings and conclusions of the French High Council of Statutory Auditors (*Haut Conseil du Commissariat aux Comptes*) following the audits carried out in accordance with the regulations applicable to Statutory Auditors,
  - it ensures that the Statutory Auditors comply with the independence conditions set out in the applicable regulations; it analyses, alongside the Statutory Auditors, the risks to their independence, including those relating to the amount and breakdown of their fees and the measures taken in order to protect against and mitigate these risks; it also ensures that the Statutory Auditors comply with the conditions relating to the acceptance or the performance of their engagement and obtains from the Statutory Auditors an annual statement attesting to their independence and detailing the amount and breakdown, by category of engagement, of the fees paid to them during the financial year,
  - it approves the provision of any non-prohibited non-audit services by the Statutory Auditors, such as those provided for in the applicable regulations,
  - the Committee regularly reports to the Board of Directors on the performance of its duties. It also reports to the Board of Directors on the findings of the Statutory Audit engagement, how this engagement has contributed to the integrity of the financial information and the role it has played in this process, and immediately informs it of any difficulties encountered.

- **interviews:**

  - for all issues related to the performance of its duties, the Audit Committee may interview the Group's finance and accounting managers, as well as the Group treasury, internal audit and risk control managers without any other members of the Company's Executive Management in attendance, if it deems it appropriate. The Chairman of the Board of Directors must be informed of this in advance,
  - the Audit Committee may call on external experts as necessary.

2023 principal activities

During the course of the meetings of the Audit Committee, the following main topics were reviewed:

- **in respect of the review of the financial statements:**
  - review of the draft company and consolidated financial statements for the financial year ended December 31, 2022 and related reports,
  - review of the half-yearly consolidated financial statements and the related report,
  - review of disputes and risks as part of the analysis of provisions,
  - results of goodwill impairment tests,
  - activity and results of the Group in 2022,
  - dividend recommendation for 2022,
  - hard-close procedures,
  - review of the sections of the management report on internal control and risk management procedures and the processing of accounting and financial information for the year ended December 31, 2022;
- **in respect of internal control:**
  - follow-up on the Group Internal Audit department's tasks,
  - the Group's 2023-2024 financing policy and credit rating,
  - review of risk mapping (including social and environmental risks),
  - review of cyber security risks;
- **in respect of compliance with regulations:**
  - follow-up on compliance programmes;
- **in respect of relations with the Statutory Auditors:**
  - follow-up on the Statutory Auditors' audit process,
  - review of non-audit services provided by the Statutory Auditors, as governed by the applicable regulations.

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3.2.3.2 The Compensation Committee

The Compensation Committee meets as often as necessary.

Composition

A majority of the members of the Compensation Committee qualify as Independent Directors, in accordance with the provisions of the AFEP-MEDEF Code.

4 members **2** meetings **100%** attendance rate

At December 31, 2023, the composition of the Compensation Committee was as follows:

Chairman: **Stéphane Courbit(1);**
Members: **Charles Edelstenne(1), Stéphane Israël(1) and Thierry Faraut (2).**

(1) Independent Director.
(2) Director representing employees. Member of the Compensation Committee until December 7, 2023.

At March 13, 2024, the composition of the Compensation Committee was as follows: Stéphane Courbit (Chairman and Independent Director), Charles Edelstenne (Independent Director), Stéphane Israël (Independent Director) and Frédéric Barrault (Director representing employees), i.e., a 100% independence rate.

Duties

The Compensation Committee is responsible for formulating proposals on the various components of compensation paid to Directors (in particular with regard to the total amount of Directors' compensation and the allocation procedures) and to Executive Officers.

It is responsible for reviewing all issues relating to the personal status of the Executive Officers, including compensation, pension and death & disability benefits, benefits in kind and the provisions governing the termination of their term of office.

It is mainly in charge of formulating proposals on decisions to grant stock options (to subscribe and/or purchase Company shares) to Executive Officers and all or some of the salaried employees of the Company and its affiliates in accordance with the Shareholders' Meeting authorisations.

It examines the conditions under which options are granted and provides a list of beneficiaries of options and the number of options allocated to each of them. It formulates proposals determining the characteristics of options, such as the subscription and/or purchase price of shares, their duration, any applicable conditions on the exercise of the options and the relevant procedures.

It is also responsible for formulating proposals on the free allocation of existing or new shares in accordance with the Shareholders' Meeting authorisations. It proposes the names of beneficiaries of the share allocations and any conditions specifically related to the length of vesting and lock-up periods and criteria for share allocations.

It is informed of the compensation policy for top executives who are not Company Officers.

2023 principal activities

Over the course of the Compensation Committee's meetings, the following main topics were reviewed:

- **compensation of Executive Officers:**
  - definition of the 2023 compensation policy for Alexandre Bompard,
  - setting of Alexandre Bompard's 2022 variable compensation; setting of Alexandre Bompard's long-term compensation,
  - setting the amount of the supplementary defined benefit pension plan for the year 2022,
  - definition of the 2023 compensation policy for Directors,
  - grant of performance shares to key managers,
  - employee share ownership plan;
- **Shareholders' Meeting of May 26, 2023:**
  - review of the compensation policy for Alexandre Bompard,
  - review of the presentation of compensation components for Alexandre Bompard in the 2022 Universal Registration Document and components that must be submitted to an advisory vote and for the approval of the Shareholders' Meeting, in accordance with AFEP-MEDEF Code recommendations and the French Commercial Code ("Say on Pay").

3.2.3.3 The Governance Committee

The Governance Committee meets as often as necessary.

Composition

At December 31, 2023, a majority of the members of the Governance Committee qualified as Independent Directors and there were no Executive Officers, in accordance with the provisions of the AFEP-MEDEF Code.

6 members **2 meetings** **100% attendance rate**

At December 31, 2023, the composition of the Governance Committee was as follows:

Chairman: **Charles Edelstenne(1);**
Members: **Flavia Buarque de Almeida, Philippe Houzé, Aurore Domont(1), Arthur Sadoun and Thierry Faraut(2).**

(1) Independent Director.
(2) Director representing employees. Member of the Governance Committee until December 7, 2023.

At March 13, 2024, the composition of the Governance Committee was as follows: Charles Edelstenne (Chairman and Independent Director), Flavia Buarque de Almeida, Aurore Domont (Independent Director), Philippe Houzé and Arthur Sadoun (Independent Director), i.e., a 60% independence rate.

Duties

The Governance Committee reviews and formulates an opinion on any candidate being considered for Director or Executive Officer positions. It submits proposals to the Board of Directors after an in-depth examination of all the factors to be taken into account in its decision-making process, particularly in light of the composition of and changes to the Company's shareholder base to ensure a well-balanced Board of Directors. It also assesses the appropriateness of the renewal of terms of office.

It organises the procedure for selecting future Directors.

Independent Director qualification criteria are discussed by the Governance Committee and reviewed each year by the Board of Directors prior to the publication of the annual report.

It is also responsible for assessing Directors' independence and reporting its findings to the Board of Directors. If necessary, the Governance Committee reviews situations caused by a Director's repeated absence.

The Committee makes recommendations to the Board of Directors on the appointment of specialised Committee members when their terms are up for renewal.

It also assists the Board of Directors in adapting the Company's corporate governance practices and assessing their composition and efficiency.

It reviews solutions to ensure that good corporate governance practices remain in place, and succession plans for Executive Officers and the management team.

It reviews the diversity policy in the Company's governance bodies, particularly in terms of gender balance.

It reviews all matters related to the conduct of Directors and, at the request of the Lead Director, any potential conflict of interest involving the Directors.

It reviews the Chairman's draft report on corporate governance and any other document required by law or regulations.

2023 principal activities

Over the course of the Governance Committee's meetings, the following main topics were reviewed:

- **governance:**
  - changes in the composition of the Board of Directors' specialised Committees. To this end, it has proposed changes to the composition of the Board's committees, in particular to improve the independence rate,
  - review of succession plans for management. In this respect, it proposed the renewal, ahead of term, of Alexandre Bompard's appointment in order to align with the Carrefour 2026 strategic plan,
  - oversight, with the Lead Director, of the Board of Directors' annual assessment;
- **Shareholders' Meeting of May 26, 2023:**
  - annual review of certain Directors' independence,
  - review of the report on corporate governance,
  - changes in the composition of the Board of Directors: renewal of terms of office for the Shareholders' Meeting;
- **Board of Directors' specialised Committees:**
  - review of the composition of the Board of Directors' specialised Committees.

3.2.3.4 The CSR Committee

The CSR Committee meets as often as necessary.

Composition

At December 31, 2023, a majority of the members of the CSR Committee qualified as Independent Directors within the meaning of the AFEP-MEDEF code.

4 members **4 meetings** **100% attendance rate**

At December 31, 2023, the composition of the CSR Committee was as follows:

Chair: **Aurore Domont(1);**
Members: **Cláudia Almeida e Silva(1), Patricia Moulin Lemoine and Martine Saint-Cricq(2).**

(1) Independent Director.
(2) Director representing employees. Member of the CSR Committee until October 18, 2023.

At March 13, 2024, the composition of the CSR Committee was as follows: Aurore Domont (Chair and Independent Director), Claudia Almeida e Silva (Independent Director), Patricia Moulin Lemoine and Sylvie Dubois (Director representing employees), i.e., a 67% independence rate.

Duties

The CSR Committee:

- reviews the Group's CSR strategy and the roll-out of the related CSR initiatives;
- verifies that the Group's CSR commitments are integrated in light of the challenges specific to the Group's business and objectives;
- assesses risks, identifies new opportunities and takes account of the impact of the CSR policy in terms of business performance;
- reviews the annual report on non-financial performance;
- reviews the summary of ratings awarded to the Group by ratings agencies and in non-financial analysis.

2023 principal activities

During the course of the meetings of the CSR Committee, the following main topics were reviewed:

- review of the Non-Financial Statement and the CSR report included in the 2022 Universal Registration Document;
- discussions about the Group's action plans and priority initiatives as regards the food transition and CSR;
- raising the Group's CSR objectives and adopting the new Carrefour CSR & Food Transition Index;
- review of the CSR index for 2022;
- discussions about regulatory developments, in particular the CSRD directive and the regulation on imported deforestation;
- in-depth study of how to reduce the Group's CO_2 emissions;
- the Group's diversity and inclusion policy.

3.2.3.5 The Strategic Committee

The Strategic Committee meets as often as necessary.

Composition

5 members **2** meetings **100%** attendance rate

At December 31, 2023, the composition of the Strategic Committee was as follows:

Chairman: **Alexandre Bompard;**
Vice-Chairman: **Abilio Diniz;**
Members: **Philippe Houzé, Stéphane Courbit[1] and Stéphane Israël[1].**

(1) Independent Director.

At March 13, 2024, the composition of the Strategic Committee was as follows: Alexandre Bompard (Chairman), Flavia Buarque de Almeida, Philippe Houzé, Stéphane Courbit (Independent Director) and Stéphane Israël (Independent Director).

Duties

The Strategic Committee prepares the Board of Directors' work on the Group's strategic objectives and the key topics of interest, including:

- development priorities and opportunities for diversifying the Group's operations;
- strategic investments and significant partnership projects.

2023 principal activities

The members of the Strategic Committee were asked to review the proposed takeover of Cora and Match in France, as well as other strategic acquisition opportunities.

3.3 Group Executive Committee

3.3.1 COMPOSITION OF THE GROUP EXECUTIVE COMMITTEE

The Group Executive Committee comprises Group managers and individuals from other horizons who contribute complementary expertise.

Chaired by the Chairman and Chief Executive Officer, the Group Executive Committee is comprised of 14 members:

	Main position held within the Group
Alexandre Bompard	Chairman and Chief Executive Officer
Alexandre de Palmas	Executive Director, France
Guillaume de Colonges	Executive Director, Merchandise, Supply and Formats
Caroline Dassié	Executive Director, Marketing and Customers for the Group and France
Emmanuel Grenier	Executive Director, E-Commerce, Data and Digital Transformation
Charles Hufnagel	Executive Director, Communication for the Group and France
Carine Kraus	Executive Director, Engagement
Matthieu Malige	Chief Financial Officer
Stéphane Maquaire	Executive Director, Latin America (Brazil and Argentina)
Jérôme Nanty	Executive Director, Human Resources and Assets for the Group and France
Élodie Perthuisot	Executive Director Carrefour Spain
Christophe Rabatel	Executive Director, Italy
Alice Rault	Executive Director, Strategy and Transformation
Laurent Vallée	Secretary General and Executive Director, Northern Europe

3.3.2 BALANCED COMPOSITION OF THE GROUP EXECUTIVE COMMITTEE

In accordance with paragraph 4 of Article L. 22-10-10 of the French Commercial Code, the Board of Directors ensures the monitoring of the Group policy, which has been focused on gender equality within the Group Executive Committee for a number of years, as well as in the 10% of positions at the highest levels of responsibility.

The Group Executive Committee, created and chaired by Alexandre Bompard, Carrefour's Chairman and Chief Executive Officer, to strengthen oversight of the Group and closely monitor its transformation plan, comprises Group managers and individuals from other horizons who contribute complementary expertise.

At the time of its creation, the Committee comprised 14 members, including one woman, i.e., 7%. At the date of this Universal Registration Document, the Board of Directors has 14 members including four women, i.e., 29%. These changes broadly reflect the policy encouraging women's access to positions of responsibility. 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 2023, the rate of women in management increased compared with 2022. 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. From within the broader category of Senior Directors, a new job category was created in 2021 for Executive Directors (who make up the Group's top 200). Among these positions, the percentage occupied by women has increased from 22.3% to 28.8% since year-end 2020. This indicator is a part of Carrefour's CSR and Food Transition Index, with the objective of achieving a 35% rate of women in the top 200 by 2025. These achievements can be explained primarily by Group policy, which has been focused on gender equality for a number of years (detailed in Section 2.1.7 of this Universal Registration Document), particularly with regards to diversity in leadership positions. Carrefour introduced the international Women Leaders programme in 2011 and signed the UN's Women's Empowerment Principles in 2013 to increase the number of women in leadership positions. The Group has also put in place development, individual coaching and mentorship programmes for women, as well as partnerships dedicated to gender equality in order to promote gender parity at Carrefour and help women build their knowledge and networks.

3.3.3 BIOGRAPHIES OF THE MEMBERS OF THE GROUP EXECUTIVE COMMITTEE

ALEXANDRE BOMPARD

Information on Alexandre Bompard's educational background and work experience is described in Section 3.2.1.3 of this Universal Registration Document.

ALEXANDRE DE PALMAS

Alexandre de Palmas is a graduate of Institut d'études politiques de Paris and École Nationale de l'Administration (ENA).

He began his career in retail property with the Casino group and subsequently held senior management positions at Clear Channel, Gallimard-Flammarion and then Elior. He joined the Carrefour group in August 2018 as Executive Director, Convenience and cash & carry France. He was appointed Chairman and Chief Executive Officer of Carmila in July 2019.

In July 2020, he was appointed Executive Director of Carrefour Spain. In September 2023, he became Executive Director, France.

GUILLAUME DE COLONGES

Guillaume de Colonges holds a university degree in Economics and completed an advanced management course at Harvard Business School in the United States.

He began his career as a floor manager at Carrefour Anglet in 1992, before taking on various operational posts in hypermarkets in France and Poland. Subsequently, he acquired operational experience as Commercial and Supply Chain Director, and from 2000 to 2008 as Director of supermarket and hypermarket operations in Turkey and Taiwan. He then became Chief Executive Officer of Carrefour in Asia and Malaysia before taking on the same post in Singapore in 2009 and at Carrefour Turkey in 2011. In 2014, Guillaume de Colonges became Executive Director Poland.

On October 2, 2017, he became Executive Director, Northern and Eastern Europe (Belgium, Poland and Romania). He directly oversees the operations of Carrefour Belgium. In 2019, he was appointed Executive Director, Merchandise, Supply and Formats.

CAROLINE DASSIÉ

Caroline Dassié began her career in 1994 with the Danone group, first with Lu, then with Blédina, where she held various sales and marketing positions.

In 2004, she joined Danone Eaux France and became Sales and E-commerce Director in 2014.

In 2015, she was appointed International Food Executive Officer at Intermarché.

Caroline Dassié joined Carrefour France in 2018 as Executive Director of Supermarkets, then as Executive Director of Marketing and Clients for the Carrefour group from September 1, 2021.

EMMANUEL GRENIER

Emmanuel Grenier has spent his entire career with Casino Group, initially holding various Supply Chain & IT positions in Poland and then in France, before heading Cdiscount from 2008 to early 2023.

He becomes the Carrefour group's Director of E-commerce, Data and Digital Transformation from February 1, 2024.

CHARLES HUFNAGEL

Charles Hufnagel is a graduate of the Paris Institute of Political Studies.

He began his career in the EDF press office in 1998. He joined the Areva group when it was created in 2001. He held the position of head of the press office and then of deputy Director of communication. From 2007 to 2010, he served as Director of Areva Abu Dhabi and then of Areva South-Korea.

From 2010 to 2012, he was communications advisor to Alain Juppé, Minister of Defence and then Minister of Foreign Affairs.

From 2012 to 2015, he served as Director of Communications for Areva. In 2016, he was appointed Director of Communications for Compagnie de Saint-Gobain.

From 2017 to 2020, he served as Communications Advisor to the Prime Minister, Édouard Philippe.

Charles Hufnagel joined the Carrefour group on September 1, 2020 as Executive Director, Communications for the Group and France.

CARINE KRAUS

A graduate of Essec and Sciences-Po Paris, and a former student of ENA, Carine Kraus began her career at the French Ministry of Economy and Finance before joining Veolia in 2012, where she was notably Chief Executive Officer of Veolia Energie France. From 2020 onwards, she was in charge of Sustainable Development. In January 2022, she was appointed Executive Director, Engagement for the Carrefour group.

MATTHIEU MALIGE

Matthieu Malige is a graduate of HEC Business School and École des Travaux Publics and holds a Master of Science degree from UCLA.

He started his career at Lazard Frères.

From 2003 to 2011, he held various positions within the Carrefour group: Director of Strategy and Development, Chief Financial Officer of Carrefour Belgium and Chief Financial Officer of Carrefour France. In 2011, he joined the Fnac group as Chief Financial Officer and on July 20, 2016, following the company's acquisition of Darty, he became Chief Financial Officer of Fnac Darty.

On October 16, 2017, Matthieu Malige took up the position of Chief Financial Officer of the Carrefour group.

STÉPHANE MAQUAIRE

Stéphane Maquaire is a graduate of Ponts et Chaussées. He started his career in 1997 at Arthur Andersen. In 2004, he joined Unibail-Rodamco as Chief Financial Officer of Exposium and then Director of Operations for shopping centres in France. In 2008, he joined the Monoprix Group as Finance and Development Director, and in 2010 was appointed Chairman and Chief Executive Officer. Subsequently, Stéphane served as CEO of Vivarte in France and of Manor in Switzerland. He joined the Carrefour group in 2019 as Executive Director of Carrefour Argentina. In September 2021, he became Executive Director of Carrefour Brazil. He is currently Executive Director, Latin America (Brazil and Argentina).

JÉRÔME NANTY

Jérôme Nanty is a graduate of Institut d'études politiques de Paris and has a Master's degree in public law.

He began his career in 1986 at Société Générale before joining the capital markets division of Crédit Lyonnais bank in 1989, first as a bond market operator and subsequently as a manager of a portfolio of bond issuers. In 1998, he joined the bank's Human Resources department as manager of employment policy and later labour relations. From 2001 to 2004, he served as Director of Labour and Social Relations for the Crédit Lyonnais group. From 2003 onwards, he held the same position at the Crédit Agricole group. As such, he was in charge of the labour aspect of the merger of Crédit Lyonnais and Crédit Agricole. He was appointed as Director of Human Resources at LCL in 2005 and at the Caisse des Dépôts group in 2008. From 2013 to 2016, he was General Secretary of the Transdev group. Since July 2016, he has served as General Secretary and Director of Human Resources of the Air France-KLM group.

On October 2, 2017, Jérôme Nanty joined the Carrefour group as Executive Director, Human Resources for the Group and France. In June 2019 he was appointed Executive Director, Human Resources and Assets for the Group and France.

ÉLODIE PERTHUISOT

Élodie Perthuisot joined Carrefour as Chief Marketing Officer 2018.

She then held the position of Executive Director E-commerce and Marketing before being appointed Director of E-commerce and E-commerce supply chain France in 2020.

In March 2021, she was named Chief E-commerce, Digital Transformation and Data Officer for the Carrefour group and in September 2023, she became Executive Director of Carrefour Spain.

CHRISTOPHE RABATEL

Christophe Rabatel is a graduate of the ICN Business School in Nancy and holds an MBA from Indiana University of Pennsylvania.

Christophe Rabatel joined the Carrefour group in 2004. He held various financial positions across Europe, was appointed CFO and Director of Carrefour Turkey, then Director of Finance, Expansion & Organisation for Carrefour Market in France.

He then took on a number of operational responsibilities with Carrefour Proximité in France, first as Regional Director, before being appointed Executive Director for Carrefour Proximité in March 2015.

Executive Director for Carrefour Poland since July 2018, he is now Executive Director for Carrefour Italy.

ALICE RAULT

On March 1, 2022, Alice Rault was appointed Executive Director of Strategy and Transformation. Alice Rault is a graduate of HEC business school and began her career working in consultancy and investment. She joined the Imerys group in 2014 as Director of Strategy and Development, before taking on a number of operational responsibilities. In 2019, Alice Rault was appointed Chief Transformation Officer for the Suez group.

LAURENT VALLÉE

Laurent Vallée is a graduate of ESSEC Business School, Institut d'études politiques de Paris and École Nationale de l'Administration (ENA).

He began his career at the *Conseil d'État*, France's administrative Supreme Court, where he served in particular as Government Commissioner and Constitutional Advisor to the Government's Secretary General. From 2008 to 2010, Laurent Vallée was a lawyer with the Clifford Chance law firm, before being appointed Director of Civil Affairs at the Ministry of Justice in April 2010. He was then General Corporate Secretary of the Canal+ group from 2013 to 2015. Since March 2015, he has served as Secretary General of the *Conseil Constitutionnel*, France's constitutional council.

On August 30, 2017, Laurent Vallée joined the Executive Management team as General Secretary of the Carrefour group.

He is also in charge of Carrefour Partenariats International (CPI).

On July 4, 2022, he was appointed Executive Director of Northern Europe.

3.4 Compensation and benefits granted to Company Officers

3.4.1 PROCESS FOR DETERMINING AND IMPLEMENTING COMPENSATION POLICIES FOR COMPANY OFFICERS

Compensation policies for Company Officers have been amended in order to comply with the provisions of French government order no. 2019-1234 of November 27, 2019 and its implementing decree.

Compensation policy for Directors

The compensation policy is decided by the Board of Directors after consulting with the Compensation Committee.

A majority of the members of the Compensation Committee qualify as Independent Directors, in accordance with the provisions of the AFEP-MEDEF Code. The Committee meets as often as necessary.

Compensation policy for the Chairman and Chief Executive Officer

The Board of Directors, after consulting the Compensation Committee, approves the principles and rules for determining the compensation of the Chairman and Chief Executive Officer, as well as the criteria for determining, allocating and awarding components of compensation of any kind.

The Board of Directors periodically reviews the performance criteria and conditions applicable to the variable components of compensation to ensure that they reflect the Group's ambitions. Achievement of the performance conditions is assessed annually by the Board after consulting with the Compensation Committee.

3.4.2 DIRECTORS' COMPENSATION

3.4.2.1 Compensation policy for Directors pursuant to Article L. 22-10-8 of the French Commercial Code

At its meeting on April 11, 2018, the Board of Directors decided to amend the allocation procedures for compensation paid to Directors for attendance at Board meetings. This allocation, which has remained unchanged, is as follows:

- Chairman of the Board of Directors: 10,000 euros;
- Vice-Chairman of the Board of Directors: 40,000 euros;
- Lead Director: 40,000 euros;
- Director: 45,000 euros comprising:
  - a variable portion of 25,000 euros,
  - a fixed portion of 20,000 euros;
- Chair of the Audit Committee: 30,000 euros;
- Chair of the Compensation Committee, the Governance Committee, the CRS Committee and the Strategic Committee: 10,000 euros;
- members of specialised Committees: compensation of 10,000 euros for belonging to one or more specialised Committees, based on the Committee member's frequency of attendance.

The variable portion of the compensation is paid in proportion to the number of Board of Directors' and/or specialised Committee meetings attended by the members (100% of the variable portion will be allocated for attendance at all meetings).

The maximum annual amount of compensation allocated to Directors in respect of their directorship for the current period and future periods is 1,280,000 euros.

The Board of Directors may allocate exceptional compensation to its members in respect of the engagements or duties entrusted to them. This type of compensation is subject to the provisions of Articles L. 225-38 to L. 225-42 of the French Commercial Code.

Since 2020, Directors' compensation has been aligned with the calendar year, i.e., for the period from January 1 to December 31. The compensation due in respect of 2022 was paid in 2023 and the compensation due in respect of 2023 will be paid in 2024.

The two Directors representing employees have an employment contract within the Group and are therefore compensated for work unrelated to their directorship. Consequently, this compensation is disclosed.

3.4.2.2 Compensation allocated or paid to Directors

In 2022 and 2023, the Directors received the following amounts:

	Amount of compensation received[1]			
	2023		2022	
(in euros)	Amount allocated[2]	Amount paid[3]	Amount allocated[4]	Amount paid[5]
Alexandre Bompard	75,000	75,000	75,000	75,000
Philippe Houzé	115,000	115,000	115,000	115,000
Stéphane Israël	135,000	135,000	135,000	135,000
Cláudia Almeida e Silva	65,000	65,000	65,000	65,000
Alexandre Arnault[6]	N/A	N/A	N/A	35,833
Nicolas Bazire[6]	N/A	N/A	N/A	70,000
Flavia Buarque de Almeida	55,000	55,000	55,000	55,000
Stéphane Courbit	64,444	62,500	62,500	61,875
Abilio Diniz	55,000	55,000	55,000	55,000
Aurore Domont	75,000	75,000	75,000	75,000
Sylvie Dubois[7]	10,000	N/A	N/A	N/A
Charles Edelstenne	72,222	75,000	75,000	75,000
Thierry Faraut[11]	60,992	65,000	65,000	55,000
Mathilde Lemoine	64,000	72,500	72,500	75,000
Patricia Moulin Lemoine	55,000	52,500	52,500	55,000
Arthur Sadoun[8]	45,000	45,000	45,000	27,500
Martine Saint-Cricq[9]	46,709	55,000	55,000	55,000
Marie-Laure Sauty de Chalon	55,000	55,000	55,000	55,000
Frédéric Barrault[10]	5,000	N/A	N/A	N/A
TOTAL	**1,053,367**	**1,057,500**	**1,057,500**	**1,140,208**

(1) Gross amounts before withholding tax for non-French residents and payroll tax for French residents.
(2) Amounts due based on actual attendance in 2023, i.e., from January 1 to December 31, 2023.
(3) Amounts paid in 2023 for the period from January 1 to December 31, 2022.
(4) Amounts due based on actual attendance in 2022, i.e., from January 1 to December 31, 2022.
(5) Amounts paid in 2022 for the period from January 1 to December 31, 2021.
(6) Directors until September 6, 2021.
(7) Director since October 18, 2023.
(8) Director since September 7, 2021.
(9) Director until October 18, 2023.
(10) Director since December 7, 2023.
(11) Director until December 7, 2023.

3.4.3 COMPENSATION OF EXECUTIVE OFFICERS

3.4.3.1 Compensation policy for Executive Officers pursuant to Article L. 22-10-8 of the French Commercial Code

I/ Principles for determining the compensation of the Chairman and Chief Executive Officer

The rules and principles used in determining the compensation and other benefits of the Chairman and Chief Executive Officer are approved by the Board of Directors on the recommendation of the Compensation Committee, with the Board of Directors referring in particular to the AFEP-MEDEF Code.

The principles used in determining the compensation of the Chairman and Chief Executive Officer, ensuring that this compensation is in line with the Company's best interests, business strategy development and continuity, are as follows:

Balance and measurement

The Board of Directors ensures that no component of compensation is disproportionate, taking various internal and external factors into consideration such as market practices, the Group's development, and the Chairman and Chief Executive Officer's performance. It also ensures that each component of compensation is relevant to the Company's interests.

Consistency and completeness

The compensation policy for the Chairman and Chief Executive Officer is established following extensive deliberation and taking into consideration the compensation of the Group's other executives and employees.

Performance

The Chairman and Chief Executive Officer's compensation is closely linked to the Group's operating performance, the purpose being to reward him for his performance and progress made, in particular through annual variable compensation and a long-term incentive plan.

The Chairman and Chief Executive Officer's variable compensation is subject to the fulfilment of certain performance conditions set by the Board of Directors, on the recommendation of the Compensation Committee, which include quantitative financial and non-financial objectives, as well as qualitative objectives that are precise, simple, measurable and rigorous.

The Board of Directors may periodically review these objectives and amend them accordingly to better reflect the Group's strategic ambitions. The Board also ensures their relevance.

Moreover, to get the Chairman and Chief Executive Officer actively involved in the Group's growth over the long term and to be more closely aligned with shareholders' interests, compensation may also include Company performance shares.

The fulfilment of performance conditions is assessed on a yearly basis by the Board of Directors after consulting with the Compensation Committee, taking into consideration the Group's financial and non-financial performance for the year and the Chairman and Chief Executive Officer's individual performance based on the targets set by the Board of Directors.

Comparability

The Chairman and Chief Executive Officer's compensation must be competitive in order to attract, motivate and retain talent at the highest levels of the Group.

II/ Criteria for determining, allocating and awarding the components of compensation of the Chairman and Chief Executive Officer

Alexandre Bompard was appointed Chairman and Chief Executive Officer on July 18, 2017. On June 15, 2018 and again on May 21, 2021, his term of office was renewed for three years. The Shareholders' Meeting of May 26, 2023, on the recommendation of the Board of Directors from 22 March 2023, decided to renew, ahead of term, his directorship to align it with the Carrefour 2026 strategic plan. He was also reappointed as Chairman and Chief Executive Officer.

The Board of Directors can revoke this term of office at any time in accordance with the applicable legal provisions.

Facing intense competition in its main markets and operating in a highly uncertain macroeconomic and regulatory environment, the Group has achieved very satisfactory results over the past six years.

In this context, the Board of Directors wishes to ensure that the compensation awarded takes into account the expectations of all the Group's stakeholders and also reflects the Chairman and Chief Executive Officer's commitment to accelerating its transformation.

The voting results of the 2023 Shareholders' Meeting revealed an expectation for change and a need for further explanatory details on the Chairman and Chief Executive Officer's compensation package.

In response to the voting results, the Board decided to further deepen its dialogue with the Company's main shareholders and the proxy advisors. The Company's top 20 shareholders were therefore contacted in order to get their feedback and comments on the 2023 votes and discuss changes that could be made to the structure of the Chairman and Chief Executive Officer's compensation package.

In summary, the main points of potential change that emerged from this shareholder dialogue related to:

- the number of criteria underlying the Chairman and Chief Executive Officer's annual variable compensation and their suitability, with the shareholders saying they would like the financial criteria to have a predominant weighting;
- elimination of offsetting between the criteria applicable to long-term compensation in order to more closely align this compensation with performance;
- greater transparency, particularly regarding the qualitative assessment carried out by the Board of Directors for setting the Chairman and Chief Executive Officer's annual variable compensation;
- less overlap between the criteria underlying short-term compensation and those underlying long-term compensation.

On the basis of this feedback, and with input from the Lead Director who took active part in the shareholder dialogue, the Compensation Committee and the Board of Directors worked together to put forward to the 2024 Shareholders' Meeting a compensation structure designed to respond to the shareholders' main concerns.

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At its meeting on March 13, 2024, and on the recommendation of the Compensation Committee, the Board of Directors set the components of the Chairman and Chief Executive Officer's compensation policy for 2024 (detailed in Section 3.4.3.2 of this Universal Registration Document), incorporating a number of significant changes as a result of the above-mentioned collaborative work. These changes relate to (i) the nature, weighting and content of the criteria underlying the Chairman and Chief Executive Officer's annual variable compensation, and (ii) the definition of the TSR and CSR criteria, as well as the elimination of all forms of offsetting between the different criteria underlying his long-term variable compensation.

The amended compensation policy will be submitted for approval to the Shareholders' Meeting of May 24, 2024.

Annual fixed and variable compensation

The Chairman and Chief Executive Officer's annual compensation comprises a fixed portion and a variable portion. This compensation reflects the responsibilities, experience and skills of the Chairman and Chief Executive Officer, as well as market practices.

ANNUAL FIXED COMPENSATION

The Board of Directors decided to keep the Chairman and Chief Executive Officer's annual fixed compensation at 1,600,000 euros for 2024, unchanged from 2023.

ANNUAL VARIABLE COMPENSATION

The Chairman and Chief Executive Officer's annual variable compensation may not exceed a maximum amount expressed as a percentage of his reference annual fixed compensation (as referred to above).

This maximum percentage may not exceed 200% of his annual fixed compensation.

For 2024, the Board of Directors decided to keep the Chairman and Chief Executive Officer's maximum annual variable compensation at 190% of his annual fixed compensation, unchanged from 2023.

Annual variable compensation is subject to the fulfilment of performance conditions based on achieving quantitative financial and non-financial objectives, as well as individual qualitative objectives. The performance conditions are based, for 80% of annual variable compensation, on achieving quantitative financial and non-financial objectives and, for the remaining 20%, on achieving individual qualitative objectives as defined by the Board of Directors, on the recommendation of the Compensation Committee.

The Board of Directors decided to reduce the number of criteria – by removing the NPS criterion (1) – and to increase the weighting of the financial objectives from 50% to 60% as from 2024: 15% based on sales, 25% based on recurring operating income (versus 20% previously) and 20% based on net free cash flow (versus 15% previously).

In order to ensure greater variability and transparency in setting and assessing the qualitative objective, the Board of Directors decided to replace the quality of governance criterion with an operational and managerial performance criterion comprising four elements: quality of governance (relations with the Board of Directors and the shareholders), representation of the Group (image, external communications, public relations, market positioning), operations transformation (management methods, steering operations, digitalisation) and business development policy (external growth, expansion).

The expected level of achievement of the objectives used to determine annual variable compensation is established precisely by the Board of Directors, in line with the Group's strategic plan and objectives, but is not made public *ex ante* for confidentiality reasons.

These criteria can be used to assess both the individual performance of the Chairman and Chief Executive Officer and the Company's performance. The Chairman and Chief Executive Officer's variable compensation is linked to the Company's overall earnings.

The annual variable compensation for 2024 may not, in accordance with Article L. 22-10-34 II of the French Commercial Code, be paid unless approved by the Ordinary Shareholders' Meeting called to approve the financial statements for the year ending December 31, 2024.

Long-term incentive plan

Awarding variable compensation in the form of shares gives the Chairman and Chief Executive Officer a stake in the Company's earnings and share price performance, creating a stronger relationship with shareholders.

The long-term incentive plan may include stock options, performance shares or a cash payout.

The long-term incentive plan may not exceed 60% of the gross maximum compensation.

Benefits accrue under the plan subject to the fulfilment of predominantly quantitative performance conditions, as set by the Board of Directors on the recommendation of the Compensation Committee, over a multi-year period, and subject to continuing service at the end of the financial years considered (except measures to the contrary in the plan rules applicable to all beneficiaries).

The Board of Directors decided to make three significant changes to the performance criteria for the Chairman and Chief Executive Officer's long-term variable compensation and the method used to assess their achievement, with effect from 2024:

- In order to remove any possibility of offsetting between the performance of the various criteria, the maximum performance threshold per criterion has been lowered from 130% to 100%, which aligns it with the target performance.
- The panel for the TSR criterion has been increased to eleven companies in order to include as many of Europe's listed retailers as possible. Dia, Dino and Kesko have been added to the panel, and Casino has been removed.
- A new CSR objective has been introduced, separate from the objective used for the Chairman and Chief Executive Officer's annual variable compensation. This objective is based on three criteria that are already tracked in the Carrefour CSR and Food Transition Index and are representative of the Group's long-term commitments to help combat global warming – sensitive materials, greenhouse gas emissions and supplier commitments. These criteria will no longer be used in the CSR and Food Transition Index for determining the Chairman and Chief Executive Officer's annual variable compensation.

If stock options or performance shares are granted, the Board of Directors will set the number of shares that the Chairman and

(1) NPS is a non-financial criterion that was introduced in 2020 at a time when it was an absolute priority for the Group to focus on customer satisfaction. The rise in this score since then shows that this objective has for the most part been achieved. By removing this criterion – only for the Chairman and Chief Executive Officer as it will remain in place for other members of the management team – the number of criteria can be reduced while at the same time increasing the weighting of the financial criteria, in line with the shareholders' wishes.

Chief Executive Officer is required to hold until the termination of his term of office, in accordance with the provisions of the French Commercial Code.

The Chairman and Chief Executive Officer is not permitted to hedge any stock options or performance shares held or any shares obtained upon the exercise of stock options held, and this rule applies throughout the entire term of the holding period set by the Board of Directors.

Benefits in kind

At the Board of Directors' discretion and on the recommendation of the Compensation Committee, the Chairman and Chief Executive Officer may receive benefits in kind. The award of benefits in kind is determined in view of the nature of the position held.

Accordingly, the Chairman and Chief Executive Officer has a company car and voluntary job loss insurance.

Other benefits in kind may be provided for in specific situations.

Compensation paid in respect of his directorship

The Chairman and Chief Executive Officer receives compensation in his capacity as Director, Chairman of the Board of Directors and specialised Committee member.

The compensation allocated in respect of his directorship is paid in accordance with the compensation policy for Directors as described in Section 3.4.2.1 of this Universal Registration Document. It is comprised of a fixed portion and a variable portion based on his attendance at meetings of the Board of Directors and of its specialised Committees.

Exceptional compensation

In certain special circumstances, the Board of Directors may decide to award exceptional compensation to the Chairman and Chief Executive Officer. The special circumstances in which this exceptional compensation may be granted by the Board of Directors include the completion of an operation offering significant transformative potential for the organisation.

Payment of such compensation must be properly justified and based on a specific triggering event.

Under no circumstances can the exceptional compensation exceed 100% of the Chairman and Chief Executive Officer's annual fixed compensation.

It may take the form of stock options, performance shares or a cash payout.

In the event of a cash payout, the exceptional compensation may not, in accordance with Article L. 22-10-34 II of the French Commercial Code, be paid unless approved by the Ordinary Shareholders' Meeting called to approve the financial statements for the year during which the decision was made to grant exceptional compensation.

Compensation or benefits due or likely to be due upon taking office

In accordance with the comparability principle described above, the Board of Directors may, on the recommendation of the Compensation Committee, award compensation related to the act of taking of office.

It may take the form of stock options, performance shares or a cash payout. It must be explained, and its amount published, when the compensation is fixed.

Supplementary defined benefit pension plan

In accordance with French government order no. 2019-697 of July 3, 2019 amending the legal regime applicable to supplementary defined benefit pension plans such as the plan in force within the Carrefour group, the Board of Directors, on the recommendation of the Chairman and Chief Executive Officer, and after consultation with the Compensation Committee, decided to cancel the plan applicable to the Chairman and Chief Executive Officer from January 1, 2020. Accordingly, all the rights that had previously accrued before January 1, 2020 were lost.

With effect from January 1, 2020, the Board of Directors decided to set up a new "top-up" defined benefit plan that meets the new requirements of Article L. 137-11-2 of the French Social Security Code (*Code de la sécurité sociale*). The main characteristics of the new plan are as follows:

- beneficiaries will retain the annual rights accrued in the event that they leave the Company;
- the rights accrued in a given year will be calculated based on the compensation for that year (reference compensation), without exceeding 60 times the annual social security ceiling. To determine the reference compensation, only the annual fixed compensation of the beneficiary and the annual variable compensation paid are considered, to the exclusion of any other direct or indirect form of compensation;
- rights will accrue subject to more stringent annual performance conditions and based on some of the same criteria as those used to determine the Chairman and Chief Executive Officer's variable compensation: three quantitative financial criteria (sales, recurring operating income and net free cash flow) and one non-financial CSR criterion (Carrefour CSR and Food Transition Index). The average of the achievement rates for the four equally weighted criteria will be used to determine the amount of rights that accrue for a given year.

The criteria are designed to reflect the performances of the Group and the Chairman and Chief Executive Officer insofar as they are proportionate to the responsibilities of the latter and relevant to the interests and long-term strategy of the Company.

The annual accrual rate under the plan will vary depending on the achievement rates for the performance criteria, as follows:

- 1.75% of reference compensation for an average achievement rate of 75% or more;
- 2.25% for an average achievement rate of 100% or more (central target rate);
- 2.75% for an average achievement rate of 125% or more.

The supplementary pension rights obtained under the plan as described above accrue to the beneficiary.

The aggregate percentages applied for a given beneficiary, all employers combined, will be capped at 30%.

Termination payment

As announced at the Shareholders' Meeting of June 15, 2018, the Chairman and Chief Executive Officer informed the Board of Directors of his decision to waive the benefit of the termination payment agreed by the Board on July 18, 2017. He is therefore no longer eligible for any termination payment.

Non-compete commitment

The Board of Directors may also decide to enter into a non-compete commitment with the Chairman and Chief Executive Officer.

The non-compete commitment entered into upon Alexandre Bompard's appointment as Chairman and Chief Executive Officer was amended by the Board of Directors on July 26, 2018 to bring it into line with the new AFEP-MEDEF recommendations. The amended commitment was approved by the Shareholders' Meeting of June 14, 2019 (13th resolution).

The purpose of the commitment is to prohibit the Chairman and Chief Executive Officer from working for a competitor, within a number of specified businesses operating in the retail food industry, for a period of 24 months from the end of his term.

The corresponding non-compete payment must be integrated into the compensation policy pursuant to French government order no. 2019-1234 of November 27, 2019. Pursuant to these provisions, and in line with the agreement approved on July 26, 2018, the Board of Directors confirmed that this payment would be set at 12 months' maximum annual fixed and variable compensation. The payment will be applicable during said 24-month period and will be made in instalments.

The Board of Directors may waive the implementation of the non-compete commitment upon the Chief Executive Officer's termination.

The commitment also provides that the non-compete payment will not be made if the Chief Executive Officer has claimed his pension benefits. No payment will be made after the age of 65.

Policy for holding shares applicable to the Executive Officers

In addition to the requirement for Directors (other than Directors representing employees) to hold at least 1,000 shares during their term of office, the Board has established a strict policy requiring the Chairman and Chief Executive Officer to hold at least 200,000 shares in registered form throughout his term of office, corresponding to about two years' of fixed compensation at the last date on which his term was renewed.

The Chairman and Chief Executive Officer had five years from the date of his first appointment to comply with this minimum holding requirement.

At the date of this document, Alexandre Bompard holds 1,028,818 Carrefour shares.

Exceptional deviations from the compensation policy

In accordance with paragraph 2 of Article L. 22-10-8, III of the French Commercial Code, under certain circumstances, the Board of Directors may deviate from the compensation policy, provided such deviation is temporary, if it is in the Company's best interest and is necessary to ensure the continued existence or viability of the Company. Exceptional circumstances that could give rise to the use of this possibility include, for example, a transforming acquisition or suspension of significant operations, a change in accounting policy, or a major event affecting markets generally and/or more specifically Carrefour group's business. Compensation components affected by this policy include annual and long-term variable compensation. Deviations could also be used to change performance conditions for all or some of the compensation components including increases or decreases to one or more criteria parameters (weight, thresholds and values). A deviation of this kind could only be implemented on the proposal of the Compensation Committee or, if necessary, other specialised committees, it being specified that any change to the compensation policy would be made public, and motivated and aligned in particular with the corporate purpose of the Company and the interests of shareholders. Variable compensation components remain subject to a binding vote by the Shareholders' Meeting and may not be paid except in the event of a positive vote in accordance with Articles L. 22-10-8 and L. 22-10-34 II of the French Commercial Code.

3.4.3.2 Components of compensation allocated to the Chairman and Chief Executive Officer, Alexandre Bompard, in respect of 2024

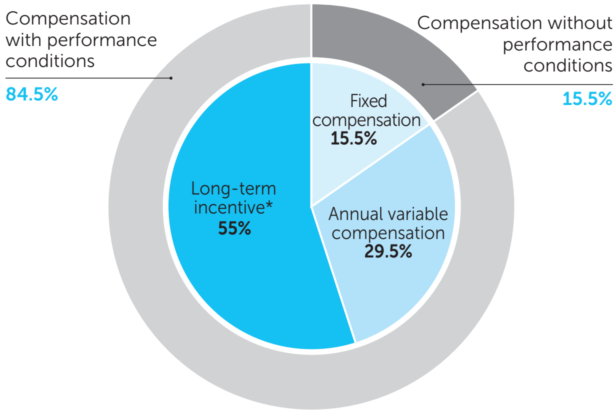
The Board of Directors set the structure of Chairman and Chief Executive Officer, Alexandre Bompard's, 2024 compensation as follows:

		Presentation
Fixed compensation	1,600,000 euros	At its meeting on March 13, 2024, the Board of Directors set the Chairman and Chief Executive Officer's annual fixed compensation at 1,600,000 euros.
Annual variable compensation	Up to 190% of fixed compensation	Annual variable compensation could represent up to 190% of the reference annual fixed compensation[(1)] if overall performance is greater than or equal to 140%.
Type of criteria	**Weighting**	**Comments**
Quantitative criteria (financial and non-financial)		Annual variable compensation is subject to the fulfilment of quantitative financial and non-financial objectives, for 80%, and a qualitative objective, for 20%. These objectives were defined by the Board of Directors on March 13, 2024. The Board of Directors decided to reduce the number of criteria – by removing the NPS criterion – and to increase the weighting of the financial objectives from 50% to 60% as from 2024: 15% based on sales, 25% based on recurring operating income (versus 20% previously) and 20% based on net free cash flow (versus 15% previously). The weighting of the CSR criterion, based on the in-house Carrefour CSR and Food Transition Index which is audited externally, is 20%. This index is comprehensive and aligned with the Group's strategic priorities. See Section 1.5.5 of this Universal Registration Document[(2)] for details on the composition of and changes in this index. The qualitative criterion is now based on operational and managerial performance (20% weighting) instead of quality of governance. It comprises four elements, which are aligned with the Group's strategic priorities set out in the Carrefour 2026 plan: ■ Quality of governance, particularly through relations with the Board of Directors and shareholders. ■ Representation of the Group, particularly through managing its image, external communications, public relations and market positioning. ■ Operations transformation, particularly through ensuring balanced management methods, steering store and warehouse operations and digitalisation. ■ Business development policy, through external growth and expansion projects. The expected level of achievement of the objectives used to determine annual variable compensation is established precisely by the Board of Directors, in line with the Group's strategic plan and objectives. However, it cannot be made public *ex ante* for confidentiality reasons.
Sales	15%	
Recurring operating income	25%	
Net free cash flow	20%	
CSR	20%	
Qualitative criteria Operational and managerial performance	20%	
TOTAL	**100%**	
Long-term incentive plan (performance shares)	Value representing 55% of the gross maximum compensation (fixed annual, maximum annual variable and long-term variable)	On February 20, 2024, the Board of Directors decided to award this compensation in the form of performance shares, for a value representing 55% of the Chairman and Chief Executive Officer's gross maximum compensation. The shares were granted using the authorisation given in the 22nd resolution adopted at the Shareholders' Meeting of May 26, 2023, and they are all subject to performance conditions. The shares will vest on February 20, 2027, subject to the achievement of the underlying performance conditions (assessed over a period of three years) and to continuing service with the Company. The Chairman and Chief Executive Officer shall be required to retain 30% of his vested shares in an amount not exceeding a share portfolio representing 150% of his annual fixed compensation. The performance conditions set by the Board of Directors are based on the following criteria: recurring operating income, net free cash flow and Total Shareholder Return (based on a larger panel comprising the following companies: Ahold Delhaize, Colruyt, Dia, Dino, Jeronimo Martins, Kesko, Marks & Spencer, Metro, Tesco and Sainsbury's) and CSR, on the basis of three indicators reflecting the Carrefour Group's long-term commitments to help combat global warming, namely sensitive materials, greenhouse gas emissions and supplier commitments. Each criterion has a weighting of 25%. The related objectives are set for each criterion by the Board of Directors, in line with the Group's strategic plan and public objectives. The performance measured for each criterion determines the vesting rate of the shares corresponding to that criterion. The vesting rates for each criterion range from 50% to 100% (as the achievement rate corresponding to maximum performance has been lowered from 130% to 100%). The vesting rate will increase on a straight-line basis between minimum and maximum performance. If the achievement level of a criterion is below 50%, no shares will vest in relation to that criterion. With regard to the TSR criterion, the minimum threshold corresponds to the median of the panel, with no shares vesting below that level. The vesting rate will be 100% from first to fourth place in the panel, 75% for fifth place and 50% for the median. The final vesting rate of the shares will be based on the average of the rates for these four criteria.
Benefits in kind		The Chairman and Chief Executive Officer has a company car and voluntary job loss insurance.
Compensation paid in respect of his directorship		The compensation allocated in respect of his directorship is paid in accordance with the compensation policy for Directors as described in Section 3.4.2.1 of this Universal Registration Document.

(1) As set by the Board of Directors on March 13, 2024.

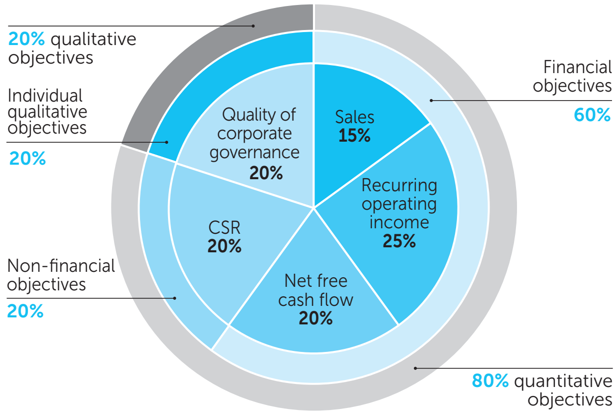
(2) As indicated in Section 3.4.3.1 of this Universal Registration Document, the index will be adjusted for the three indicators that reflect the Group's long-term commitments to combat global warming and that are specifically used to evaluate performance with respect to the long-term variable component.

2024 COMPENSATION STRUCTURE



* Based on the long-term incentive plan granted on February 20, 2024.

2024 ANNUAL VARIABLE COMPENSATION



3.4.3.3 Compensation allocated or paid to the Chairman and Chief Executive Officer, Alexandre Bompard, in respect of 2023

The Shareholders' Meeting of May 26, 2023 approved the principles and criteria for determining, allocating and awarding the fixed, variable and exceptional components of the total compensation and benefits in kind that may be awarded to the Chairman and Chief Executive Officer, Alexandre Bompard, in accordance with Article L. 22-10-8 of the French Commercial Code.

The table below summarises the components of compensation allocated or paid to Alexandre Bompard in respect of 2023 in his capacity as Chairman and Chief Executive Officer.

The payment of the variable and exceptional components of compensation due in respect of the 2023 financial year is subject to the approval of the Shareholders' Meeting of May 24, 2024, in accordance with Article L. 22-10-34 II of the French Commercial Code.

	2022		2023	
(in euros)	**Amount allocated**(3)	**Amount paid**(4)	**Amount allocated**(5)	**Amount paid**(6)
Alexandre Bompard Chairman and Chief Executive Officer				
Fixed compensation	1,500,000	1,500,000	1,600,000	1,600,000
Variable compensation	2,850,000	2,850,000	2,849,128	2,850,000
Long-term incentive plan	N/A	N/A	N/A	N/A
Termination payment	N/A	N/A	N/A	N/A
Compensation paid in respect of his directorship(1)	75,000	75,000	75,000	75,000
Benefits in kind(2)	9,052	9,052	16,772	16,772
TOTAL	**4,434,052**	**4,434,052**	**4,540,900**	**4,541,772**

(1) See Section 3.4.2.2 of this Universal Registration Document.
(2) Company car and voluntary unemployment insurance.
(3) Variable compensation: amount allocated for the period from January 1 to December 31, 2022.
(4) Variable compensation: amount paid in 2022 for the period from January 1 to December 31, 2021.
(5) Variable compensation: amount allocated for the period from January 1 to December 31, 2023 (subject to the approval of the Shareholders' Meeting of May 24, 2024).
(6) Variable compensation: amount paid in 2023 for the period from January 1 to December 31, 2022.

The components of compensation allocated or paid to the Chairman and Chief Executive Officer, Alexandre Bompard, in 2023 are as follows:

Annual compensation

Alexandre Bompard received annual compensation comprising a fixed portion and a variable portion.

Annual fixed compensation

In 2023, Alexandre Bompard was paid an annual fixed compensation of 1,600,000 euros.

Annual variable compensation

The achievement of Alexandre Bompard's objectives at 100% would entitle him to annual variable compensation amounting to 100% of his annual fixed compensation. The achievement of his objectives at 140% would entitle him to annual variable compensation amounting to 190% of his annual fixed compensation. Between the lower and upper targets, variable compensation increases on a straight-line basis.

The performance objectives for his annual variable compensation were based, for 80%, on achieving quantitative objectives (sales, recurring operating income, net free cash flow, NPS®, and the Carrefour CSR and Food Transition Index), and, for the remaining 20%, on achieving qualitative objectives (quality of governance). These criteria are weighted at 20% for recurring operating income, 15% for sales, 15% for net free cash flow, 10% for NPS®, 20% for the Carrefour CSR & Food Transition Index and 20% for corporate governance quality.

At its meeting on March 13, 2024, the Board of Directors reviewed the performance level achieved for each target.

As part of a proactive approach, shareholder feedback was taken into account via:

(i) the adjustment explained by the exceptional circumstances surrounding the impact of a financial criterion, which had the effect of significantly reducing the performance level compared with what should have been applied;

(ii) the early adoption of the qualitative operational and managerial performance criterion to better explain the Board's assessment, which had the effect of reducing the performance level compared with previous years.

- **Quantitative financial criteria (sales, recurring operating income and net free cash flow)**

The Board of Directors noted an increase in like-for-like sales in 2023, with strong growth for Carrefour-branded products and e-commerce GMV. However, as an exceptional measure, it decided to revise downwards the performance level of this criterion by neutralising the impact of the difference between the inflation rate that was initially forecast for Argentina and the rate that was actually recorded at the end of the year. The Board's aim with this adjustment was to use a quantitative factor that more accurately reflects the Group's performance for the purpose of determining the components of the Chairman & Chief Executive Officer's compensation. The adjustment also responds to certain observations by shareholders who had noted that inflation could lead to a temporary or one-off distortion of performance. The adjustment had the effect of reducing the performance level for this criterion from 200% to 137.3%, corresponding to growth of 8.4% versus a target of 7.5%.

Net free cash flow rose sharply once again in 2023, resulting in a 200% performance level for this criterion, with cash generation of 1,622 million euros versus a target of 1,200 million euros.

The performance level for the recurring operating income criterion, at constant exchange rates in 2023, represented 54.3%, with actual recurring operating income of 2,220 million euros versus a target of 2,403 million euros.

- **Non-financial quantitative criterion (NPS® and Carrefour CSR and Food Transition Index)**

The CSR criterion is based on the in-house Carrefour CSR and Food Transition Index which is audited externally. This index is comprehensive and aligned with the Group's strategic priorities. The achievement rate stood at 110% in 2023. See Section 1.5.3 of this Universal Registration Document for details on the composition of and change in this index.

In 2023, Carrefour gained 3 points in the Moody's (formerly Vigeo Eiris) questionnaire, achieving a score of 76/100. Carrefour is also one of the seven members of DJSI World, which brings together the best companies in terms of ESG performance.

The performance level for the CSR criterion came to 150% versus a target of 100%.

The score for the NPS® criterion was 51. The performance level for this criterion was therefore 112.5% given a target of 50.

- **Qualitative criterion (Quality of governance)**

In view of the planned changes to the Chairman and Chief Executive Officer's compensation policy for 2024 regarding the qualitative criterion underlying his annual variable compensation [(1)], the Board of Directors decided to assess the 2023 performance relating to the quality of governance criterion in a more differentiated way by incorporating the components of the new operational and managerial performance criterion. The Board's aim in doing this was also to meet the expectations of the shareholders, by providing a better description of the reasons for its assessment of the qualitative criterion.

Applying to the 2023 compensation the analysis matrix it is proposing for 2024, the Board of Directors based its assessment on the following elements.

The quality of the Board's operations and its relations with shareholders improved again in 2023, as demonstrated by the renewal in advance of term of the Chairman and Chief Executive Officer's term of office. The members of the Board consider that the quality and balance of dialogue within the Board of Directors, as well as the extent to which directors' expectations are taken into account, the organisation of strategy sessions and meetings with members of the Executive Committee, and the greater involvement of the Lead Director in the organisation of the Board's work and executive sessions, all illustrate the quality of the Company's governance led by the Chairman and Chief Executive Officer.

(1) See Sections 3.4.3.1 and 3.4.3.2 of this Universal Registration Document.

The Group's image and influence were heightened in 2023, particularly through the partnership with the Paris 2024 Olympic Games and the election of Carrefour's Chairman and Chief Executive Officer as President of the French Retail Federation (FCD). The Chairman and Chief Executive Officer also has a personal commitment to helping people with disabilities, which is at the heart of the Carrefour 2026 plan. For example in 2023, he supported the French Paralympic and Sports Committee and announced a range of innovations to improve the customer experience for people with disabilities. His personal involvement in the commitment to women's health in the workplace – including 12 days' leave a year given to women suffering from endometriosis – confirmed Carrefour's pioneering role in relation to this issue. Lastly, the Chairman and Chief Executive Officer co-chaired the Forest Positive Coalition of the Consumer Goods Forum, which brings together major global players to define a collective strategy for combating deforestation, a key climate-related challenge.

The transformation of the Group's operational and commercial model continued in line with the planned schedule in 2023, as demonstrated by the ongoing transition to lease management and franchising – operating models which now account for 50% of sales in France – the continuing roll-out of the Maxi method in all of Carrefour's geographies. The Group's digital transformation picked up pace in 2023, with Carrefour integrating OpenAI technologies and launching a shopping experience with Generative AI, forging new partnerships with foreign start-ups and teaming up with Rakuten.

The Group's business development was particularly impressive in 2023, as illustrated by the announcement of the acquisition of Cora, Match and Provera – which is the largest transaction in France's retail sector in the last twenty years – as well as the launch of Unlimitail with Publicis and 13 initial partners to leverage the retail media market in Europe, and the extension of international franchising to more countries during the year.

In view of all of these factors, the Board of Directors set the performance level for this criterion at 160%.

The overall performance level for all the criteria was therefore 134.7%. The annual variable compensation of the Chairman and Chief Executive Officer, Alexandre Bompard, was set at 178.1% of his annual fixed compensation, i.e., 2,849,128 euros. This sum may not be paid until approved by the Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2023.

Long-term incentive plan (performance shares)

On February 14, 2023, the Board of Directors decided to award the long-term incentive plan to the Chairman and Chief Executive Officer in the form of performance shares, for a value representing 55% of his gross maximum compensation (i.e., 5,316,667 euros) (1). These shares will vest on February 14, 2026 if the performance conditions are met and if Alexandre Bompard is with the Company at that date.

The shares are all subject to performance conditions to be assessed on February 14, 2026.

The Board of Directors set out the following performance criteria: recurring operating income, net free cash flow, Total Shareholder Return (based on a panel of distribution companies (2)) and corporate social responsibility (based on the Carrefour CSR and Food Transition Index).

Each criterion has a weighting of 25%. The related objectives are set by the Board of Directors, but they are not disclosed *ex ante* for confidentiality reasons. The performance measured for each criterion determines the vesting rate of the shares corresponding to that criterion. The acquisition rates per criterion are between 50% and 130%. The vesting rate will increase on a straight-line basis between the minimum and maximum. Below 50%, no shares will vest with respect to the relevant criterion. With regard to the TSR criterion, the minimum threshold corresponds to the median of the panel, with no shares vesting below this level (the vesting rate will be 130% for first place in the panel, 110% for second place, 90% for third place, 70% for fourth place and 50% for the median). The final vesting rate will be the average of the vesting rates of the four criteria, within the limit of the number of shares granted by the Board of Directors, i.e., with an overall vesting rate capped at 100%.

Furthermore, Alexandre Bompard has taken the decision not to use hedging instruments.

Benefits in kind

Alexandre Bompard has a company car and voluntary job loss insurance. The corresponding financial benefit represents 16,772 euros.

Compensation or benefits due or likely to be due upon taking office

None.

(1) Information presented in Section 8.2 of this Universal Registration Document.
(2) Casino, Ahold Delhaize, Colruyt, Jeronimo Martins, Marks & Spencer, Metro, Tesco and Sainsbury's.

Compensation paid in respect of his directorship

The amount of compensation paid in 2023 to Alexandre Bompard in his capacity as Chairman of the Board of Directors, Director and Chairman of the Strategic Committee is determined according to the policy described in Section 3.4.2.2 of this Universal Registration Document. It amounted to 75,000 euros for the period January 1 to December 31, 2022.

Compensation paid by a company within the scope of consolidation

Alexandre Bompard has not received any compensation due or paid by any company within Carrefour's scope of consolidation.

Supplementary defined benefit pension plan

As the French government order no. 2019-697 of July 3, 2019 amended the legal regime applicable to supplementary defined benefit pension plans with conditional rights such as the plan in force within the Carrefour group, the Board of Directors, acting on the recommendation of the Compensation Committee, decided to modify the plan applicable to the Chairman and Chief Executive Officer.

Acting on the Chairman and Chief Executive Officer's proposal and on the recommendation of the Compensation Committee, the Board of Directors decided on April 3, 2020 to therefore cancel the plan applicable to the Chairman and Chief Executive Officer until December 31, 2019. Accordingly, all the conditional supplementary pension rights that had accrued to the Chairman and Chief Executive Officer since his arrival in the Carrefour group (corresponding to an estimated gross annual annuity of 200,594 euros) were lost.

At its meeting of April 3, 2020, the Board of Directors decided to set up a new "top-up" defined benefit plan, applicable from January 1, 2020, that meets the new requirements of Article L. 137-11-2 of the French Social Security Code. The main characteristics of the new plan are described in Section 3.4.3.1 of this Universal Registration Document.

The implementation of the Chairman and Chief Executive Officer's plan follows from a decision by the Board of Directors, taken after consultation with the Compensation Committee. This new plan allows for the grant, subject to performance conditions, of supplementary pension rights, expressed and guaranteed in the form of an annual annuity. Rights can only be settled from the age of 64, provided that the pension has been settled in a compulsory old-age insurance plan.

The rights accrued will be calculated based on the 2023 compensation (reference compensation), capped at 60 times the annual social security ceiling. To determine the reference compensation, only the annual fixed compensation of the beneficiary and the variable compensation paid are considered, to the exclusion of any other direct or indirect form of compensation.

Rights will accrue subject to the same four annual performance criteria used to determine the Chairman and Chief Executive Officer's variable compensation: three quantitative financial criteria (sales, recurring operating income and net free cash flow) and one non-financial CSR criterion (Carrefour CSR and Food Transition Index).

In accordance with the annual vesting rates under the plan and on the basis the performance level achieved for each criterion [(1)], the Board of Directors meeting of March 13, 2024 noted an average performance level of 135.4%, i.e., more than 125%, thus entitling the Chairman and Chief Executive Officer to a vesting rate of 2.75% for 2023.

The gross annual annuity accrued by the Chairman and Chief Executive Officer for 2023 therefore came out to 72,587 euros, or a cumulative annuity of 276,209 euros since the start of the plan.

The contributions paid to the insurer are excluded from social security contributions, in return for the payment of an employer's contribution of 29.7%.

Termination payment

Alexandre Bompard, Chairman and Chief Executive Officer, is not entitled to any termination payment.

Non-compete commitment

The non-compete commitment entered into upon Alexandre Bompard's appointment as Chief Executive Officer was amended by the Board of Directors on July 26, 2018 to bring it into line with the new AFEP-MEDEF recommendations, and was approved by the Shareholders' Meeting of June 14, 2019.

The terms and conditions of this commitment are described in Section 3.4.3.1 of this Universal Registration Document.

No amount is due or was paid in this respect in 2023.

Total compensation compliance with the compensation policy

The fixed, variable and exceptional components of compensation and benefits in kind paid or awarded to Alexandre Bompard in his capacity as Chairman and Chief Executive Officer in respect of 2023 comply with the compensation policy decided by the Board of Directors acting on the Compensation Committee's proposal.

Alexandre Bompard's total compensation is part of the Company's long-term strategy and allows the Chairman and Chief Executive Officer's interests to be aligned with those of the Company and the shareholders.

The Company has not diverged from the compensation policy in any respect.

Application of the last vote by the Shareholders' Meeting

The Shareholders' Meeting of May 26, 2023 approved the fixed, variable and exceptional components of total compensation and benefits in kind due or paid during the year ended December 31, 2022 to Alexandre Bompard, Chairman and Chief Executive Officer.

(1) The respective performances of these criteria for the 2023 annual variable compensation are presented in Section 3.4.3.3.

Pay ratios and changes in compensation

In accordance with paragraphs 6 and 7 of Article L. 22-10-9-I of the French Commercial Code, the table below presents information for the last five years on the changes in the compensation of the Chairman and Chief Executive Officer and employees and for the pay ratios based on the average and median compensation of employees.

The calculation methods were defined taking into consideration the AFEP-MEDEF guidelines on compensation multiples.

The scope used for this analysis has been widened to include Carrefour Management's employees working at the Group's head office in France.

	2019	2020	2021	2022	2023
Average compensation ratio	42	42	47	49	51
Median compensation ratio	72	76	80	87	89
Change in the compensation of the Chairman and Chief Executive Officer	+5%	+4%	+6%	7.7%	6.6%
Change in the average compensation of employees	+12%	+4%	-6%	3%	1.6%
Net free cash flow (in millions of euros)	324	1,056	1,228	1,262	1,622
Carrefour CSR and Food Transition Index	114%	115%	111%	109%	110%

3.4.4 BREAKDOWN OF COMPENSATION AND BENEFITS GRANTED TO EXECUTIVE OFFICERS

The tables summarising the compensation paid to Executive Officers during the year may be found in Section 3.4.3 of this Universal Registration Document.

Compensation allocated in respect of their directorship

Table presented in Section 3.4.2 of this Universal Registration Document.

Stock options granted during the financial year to each Executive Officer by the issuer or a Group company

None.

Stock options exercised during the financial year by each Executive Officer

None.

Performance shares granted to each Executive Officer by the issuer or a Group company

Information presented in Section 8.2 of this Universal Registration Document.

Performance shares which became available during the financial year for each Executive Officer

Information presented in Section 8.2 of this Universal Registration Document.

Historical information on stock option plans

None.

Multi-annual variable compensation of each Executive Officer

Name and position of the Executive Officer	Plan	2022	2023
Alexandre Bompard Chairman and Chief Executive Officer	Cash compensation plan	N/A	N/A

	Employment contract		Supplementary pension plan(1)		Compensation or benefits due or likely to be due upon termination or a change in position(1)		Compensation related to a non-compete clause(1)(2)	
	Yes	No	Yes	No	Yes	No	Yes	No
Alexandre Bompard Chairman and Chief Executive Officer		X	X			X	X	

(1) These components of compensation are detailed in Sections 3.4.3.1 and 3.4.3.3 of this Universal Registration Document.

(2) The Chairman and Chief Executive Officer may, in consideration for his non-compete commitment, receive a non-compete payment capped at the equivalent of 12 months' maximum fixed and variable annual compensation. The non-compete commitment is described in Section 3.4.3.1 of this Universal Registration Document.

1
2
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3.5 "Comply or Explain" rule of the AFEP-MEDEF Code

In accordance with the "Comply or Explain" rule of the AFEP-MEDEF Code, the Company indicates in this section the provisions of the Code that it did not apply in 2023.

Recommendations of the AFEP-MEDEF Code	Group practice and explanation
Length of directorship is a criterion to be analysed by the Committee and the Board to assess the independence of a Director (Article 9.5.6 of the Code)	On the recommendation of the Governance Committee, the Board of Directors closely examined the status of Charles Edelstenne. Charles Edelstenne, whose term was renewed at the Shareholders' Meeting called to approve the financial statements for the year ended December 31, 2022, had, as of July 2020, been a Director for longer than the maximum period of 12 years recommended by the AFEP-MEDEF Code. Accordingly, the Board of Directors took into account Charles Edelstenne's reputation, professional experience, the objectivity he has consistently demonstrated during Board meetings, his critical judgement and his ability to make sound decisions in all situations, in particular as regards Executive Management. The Board of Directors also took into account the change to the management team that took place in 2017, which meant that close ties could not be formed with the current team given the duration of his term. Charles Edelstenne's qualities and in-depth knowledge of the Group were considered essential given the radical change in the composition of the Board since 2018 and its reduced size, making him a highly valuable contributor to the Board's strategic decisions. Given this assessment, the Board of Directors considered that the length of directorship criterion defined in the AFEP-MEDEF Code, among five other criteria, was not itself sufficient for Charles Edelstenne to automatically lose his independent status, and that there was no other reason to prevent him from continuing in office as an Independent Director.

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3.6 Transactions in the Company's shares carried out by Company Officers

In accordance with Article 223-26 of the AMF's General Regulations, we hereby inform you that the following transactions were carried out during the 2023 financial year by persons referred to in Article L. 621-18-2 of the French Monetary and Financial Code (*Code monétaire et financier*):

Transaction date	First name/last name or corporate name	Office held at the Company on the transaction date	Transaction type	Financial instrument	Price per share *(in euros)*	Transaction amount *(in euros)*
02/27/2023	Alexandre Bompard	Director and Chairman and Chief Executive Officer	Delivery of the 2020 performance share plan (2020 LTI Plan)	Shares	N/A	N/A
02/27/2023	Matthieu Malige	Chief Financial Officer	Delivery of the 2020 performance share plan (2020 LTI Plan)	Shares	N/A	N/A
04/27/2023	Matthieu Malige	Chief Financial Officer	Sale	Shares	19.00	285,000
11/16/2023	Peninsula Europe SA.	A legal entity linked to Abilio Dos Santos Diniz, Director	Amendment to structured financing	Shares	N/A	N/A
11/22/2023	Alexandre Bompard	Chairman and Chief Executive Officer	Sale	Shares	17.1757	343,514
11/23/2023	Peninsula Europe SA.	A legal entity linked to Abilio Dos Santos Diniz, Director	Amendment to structured financing	Shares	N/A	N/A

3.7 Related-party agreements referred to in Articles L. 225-38 *et seq.* of the French Commercial Code

AUTHORISATION PROCEDURE FOR ARM'S LENGTH AND RELATED-PARTY AGREEMENTS

The Board of Directors adopted an internal procedure for identifying and obtaining authorisation for related-party agreements, and for distinguishing them from routine agreements entered into on an arm's length basis.

In addition to the regulatory framework governing the various potential types of agreements, the procedure also requires the Company to regularly review the terms of all routine agreements entered into within the Group. The parties directly or indirectly involved in such an agreement may not take part in the review.

AGREEMENTS REFERRED TO IN ARTICLES L. 225-38 *ET SEQ.* OF THE FRENCH COMMERCIAL CODE

No new agreements were authorised by the Board of Directors during the year ended December 31, 2023.

In addition, no agreements entered into and authorised in previous years were continued in the year 2023.

STATUTORY AUDITORS' SPECIAL REPORT ON REGULATED AGREEMENTS

Shareholders' Meeting to approve the Financial Statements for the year ending December 31, 2023

This is a free translation into English of the Statutory Auditors' report on regulated agreements with third parties issued in French and it is provided solely for the convenience of English speaking users. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Carrefour Shareholders' Meeting,

In our capacity as Statutory Auditors of your Company, we hereby report to you on the regulated agreements.

It is our responsibility to inform you, on the basis of the information provided to us, of the principal terms and conditions and the purpose and benefits to the Company of the agreements brought to our attention or which we may have identified during the course of our audit, as well as the reasons justifying that such agreements are in the Company's interest, without expressing an opinion on their usefulness and appropriateness or identifying such other agreements, if any. It is your responsibility, pursuant to Article R. 225-31 of the French Commercial Code (*Code de commerce*), to assess the interest of the conclusion of these agreements for the purpose of approving them.

In addition, it is our responsibility, where appropriate, to provide you with the information stipulated in Article R. 225-31 of the French Commercial Code (*Code de commerce*) relating to the implementation during the year of the agreements previously approved at the Shareholders' Meeting, if any.

We conducted the procedures we deemed necessary in accordance with the professional guidelines of the French National Institute of Statutory Auditors (*Compagnie Nationale des Commissaires aux comptes*) relating to this engagement.

Agreements submitted to the approval of the Shareholders' Meeting

Agreements authorised and concluded during the year

We hereby inform you that we have not been advised of any agreement authorised and concluded during the year to be submitted to the approval of the Shareholders' Meeting pursuant to Article L. 225-38 of the French Commercial Code.

Agreements already approved by the Shareholders' Meeting

Agreements approved in previous years and having continuing effect during the year

We hereby inform you that we have not been advised of any agreement authorised in previous years by the Shareholders' Meeting and having continuing effect during the year.

Statutory Auditors

Courbevoie and Paris-La Défense, March 27, 2024

MAZARS	DELOITTE & ASSOCIÉS
Jérôme de Pastors	Bertrand Boisselier
Marc Biasibetti	Olivier Broissand

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RISK MANAGEMENT AND INTERNAL CONTROL

4.1 Risk management

In a constantly changing environment, risk management is essential to ensuring the long-term viability of the Group's business operations. A risk is the possibility that an event may occur and impact Carrefour's strategy, assets and reputation, as well as the environment and stakeholders (e.g., employees, customers, suppliers, the community).

The Group Risk department is responsible for overseeing the risk management system. This system is based on the identification, assessment, analysis, and treatment of the Group's risks. It leads to preventive or corrective measures designed to protect the Group's value and reputation (4.1.1).

The Group's 13 key risks in 2023 are described in this Universal Registration Document in accordance with the requirements of Regulation (EU) No. 2017/1129 of the European Parliament (4.1.2).

To ensure that these risks are fully addressed, the Group also implements solutions to transfer risks to the insurance market (4.1.3).

4.1.1 RISK PREVENTION AND MANAGEMENT SYSTEM

The main objective of the risk prevention and management system is to protect Carrefour's assets and reputation by providing Executive Management with a clear view of the main threats and opportunities to assist in making decisions and managing the business.

Carrefour's risk prevention and management system has been developed in accordance with the relevant international standards, such as those of the Committee of Sponsoring Organizations (COSO) of the Treadway Commission, the French financial markets authority (*Autorité des marchés financiers* – AMF) and the ISO 31000 risk management standard.

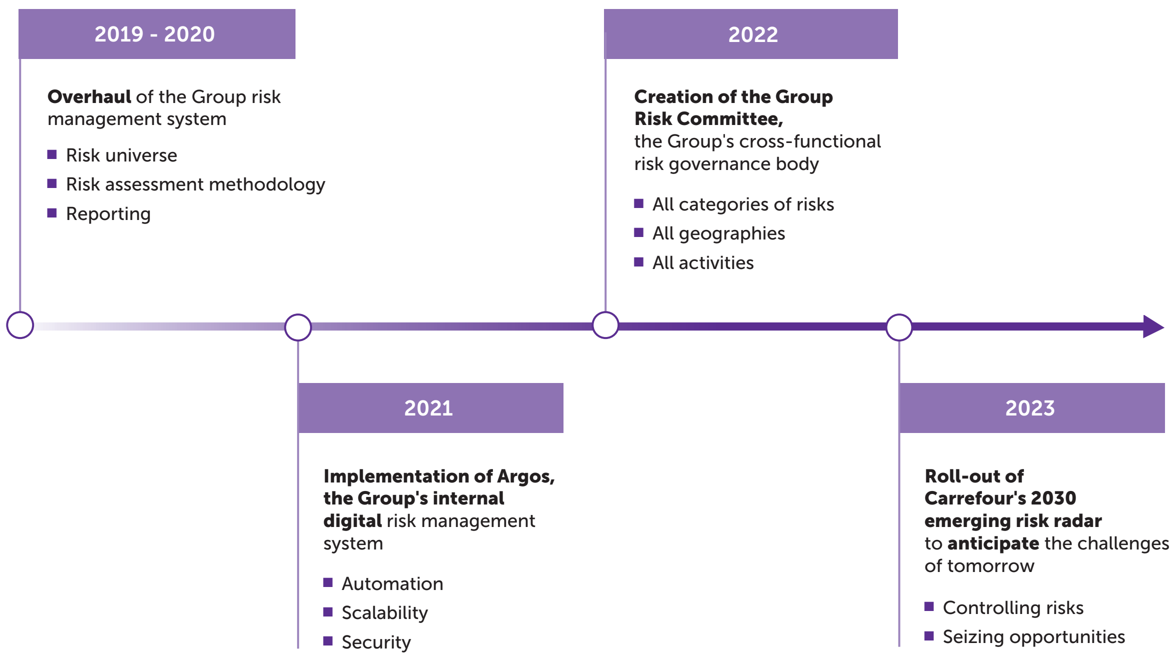
Its objective is also to foster a risk management culture and a shared vision of the major risks among all employees.

The Executive Management teams of the main operating entities (including countries):

- perform regulatory monitoring and recognise potential impacts;
- take measures to prevent risks from occurring and mitigate their impacts;
- manage incidents and take corrective measures;
- inform the Group's Executive Management and Functional departments of any significant events.

The Group's Functional departments are responsible for defining and communicating the risk management rules applicable to their function. They support the business units in implementing these rules to ensure optimum management of the business.

Each year, the Group Risk department maps the key risks based on discussions with the management of the main business units to measure the net criticality level and consolidate the associated action plans. It also reviews certain risks and assists the Group's Functional departments in their risk mapping process.



4.1.2 MAIN RISKS

Methodology

In association with the management of the main business units and all Functional departments, the Group Risk department has upgraded the risk database and evaluated 56 risks that could have a material impact on the Group's operations or performance, including the main ESG issues. The evaluation is performed on Argos, a dedicated digital platform launched in 2021.

For each risk, it is necessary to:

- describe related past or feared events;
- rank on a scale defined at Group level:
  - probable financial impact (excluding insurance),
  - reputational impact (TV, press, social media coverage, etc.),
  - frequency of occurrence,
  - ability to control the risk and measures taken to detect, prevent and mitigate its impact and frequency of occurrence;
- identify the action plans that exist or need to be implemented.

After review of the evaluations by the business units' management, the map of the Group's main risks was presented to the Group Executive Committee, the Audit Committee and the new Group Risk Committee. Created in late 2022, the Group Risk Committee is an internal cross-functional executive risk governance body. Reporting to the Group General Secretariat, it brings together six members of the Group Executive Committee as well as the Group Functional Directors (Internal Audit and Risk, Legal Affairs, Internal Control, Insurance and Security).

This led to the identification of 13 key risks that could, at the date of this Universal Registration Document, have a material impact on the Group's operations, financial position, reputation, results or outlook. In accordance with the provisions of Article 16 of Regulation (EU) 2017/1129 of the European Parliament and of the Council, these 13 key risks are divided into three categories:

- economic, political and social environment;
- governance, laws and regulations;
- operations.

As part of the risk mapping process described above, these risks are ranked and presented here in decreasing order of importance within each category (and in no particular order of importance between categories), based on three net scores (i.e., gross score, less the effectiveness of the related control):

- net financial impact;
- net reputational impact;
- net frequency.

The net score is calculated on the same basis as in previous years to ensure comparability of results.

The impacts of climate change on the Group and its activities are included within different risks in the map, some of which are included in this chapter. They are indicated by the ♣ symbol in the table below.

Others impacts such as extreme weather events and the raw materials value chain are not included as they are not part of the Group's major risks.

A number of other risks, which were analysed as part of the Group's risk mapping process but which do not meet the materiality or specificity criteria adopted in compliance with Article 16 of Regulation (EU) 2017/1129 of the European Parliament and of the Council, are nevertheless presented as required as part of the Non-Financial Statement or the management report, and can be found in Chapters 2 (2.1.1.2) and 6 (Note 14.7 to the 2023 consolidated financial statements), respectively, of this Universal Registration Document.

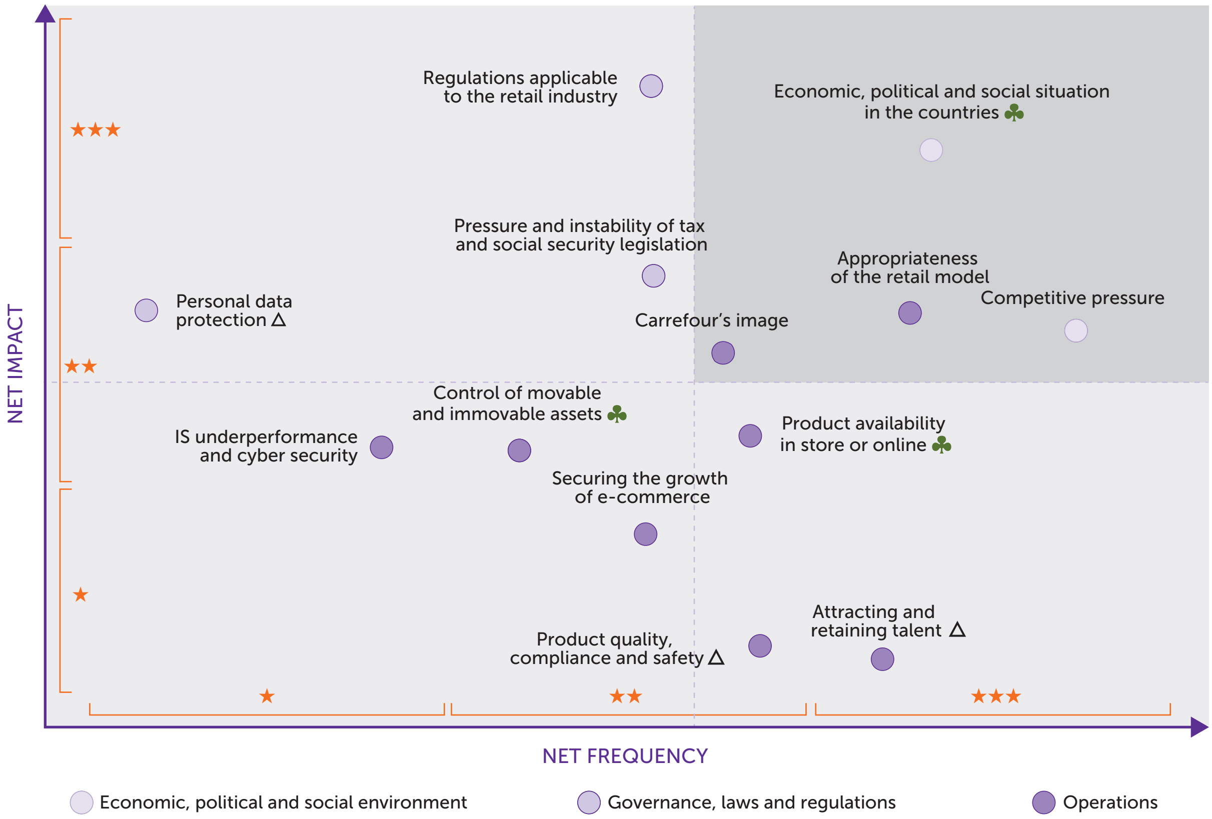
The table and risk map below summarise the 13 key risks identified and their historical trend since the 2022 risk map. Non-financial risks disclosed in the Non-Financial Statement (see Chapter 2 of this Universal Registration Document) are identified in the table below by the "Δ" symbol.

Category	Risk	Change vs. 2022	Financial impact	Reputational impact	Net probability
Economic, political and social environment	Economic, political and social situation in the countries ♣	↗	★★★	★★	★★★
	Competitive pressure	↗	★★★	★	★★★
Governance, laws and regulations	Regulations applicable to the retail industry	↗	★★★	★★★	★★
	Pressure and instability of tax and social security legislation	↗	★★	★★★	★★
	Personal data protection Δ	~	★	★★★	★
Operations	Appropriateness of the retail model	~	★★	★★	★★★
	Product availability in store or online ♣	~	★★	★★	★★
	Carrefour's image	↘	★	★★★	★★
	Control of movable and immovable assets ♣	↗	★★★	★	★★
	Securing the growth of e-commerce	~	★	★★	★★
	Attracting and retaining talent Δ	~	★	★	★★★
	IS underperformance and cyber security	~	★★	★	★
	Product quality, compliance and safety Δ	~	★	★★	★★

★ Moderate ★★ High ★★★ Very High ↗ Increase ~ Stable ↘ Decrease

♣ Increased exposure to climate change

Δ Non-financial performance risk


Regulations applicable to the retail industry
Economic, political and social situation in the countries
Pressure and instability of tax and social security legislation
Appropriateness of the retail model
Competitive pressure
Personal data protection
Carrefour's image
Control of movable and immovable assets
IS underperformance and cyber security
Product availability in store or online
Securing the growth of e-commerce
Attracting and retaining talent
Product quality, compliance and safety
NET IMPACT
NET FREQUENCY
Economic, political and social environment
Governance, laws and regulations
Operations

Economic, political and social situation in the countries ♣

Safeguarding consumer purchasing power and the Group's profitability in the face of slowing but still high inflation

Description of the risk:

The economic situation in the Group's operating countries has a significant influence on its cost base (direct purchasing, indirect purchasing and employee salaries) and household demand (spending levels and consumer habits). A deterioration in the macroeconomic environment (recession, unemployment, inflation, currency devaluation, etc.) in which the Group operates could have a negative impact on its operations and results.

The slowdown in the global economic environment in 2023 could continue in 2024, according to IMF projections[1]. This is due to a combination of factors, in particular: the war in Ukraine, the energy crisis and widespread hikes in key interest rates to contain inflation.

Global inflation does remain high (6.9% in 2023 vs. 8.7% in 2022)[1] and above the forecasts set by central banks, despite a slowdown from the record levels of 2022. The situation varies however based on geography, particularly in Brazil, which is currently in a deflationary trend, and Argentina, which is still facing hyperinflation. These issues could continue for years, depending on geopolitical developments, as well as health and climate conditions around the world. The ecological and energy transition towards carbon neutrality could also exacerbate inflationary pressure.

Inflation decreases consumer purchasing power, forcing the retail industry to adapt to the new landscape. In order to safeguard consumers' purchasing power, one of the Group's objectives is to optimise its costs and their impact on sales prices.

Inflationary pressure could also impact Carrefour Financial Services, due to the combined increase in customer insolvency (unpaid bills) and in the cost of financing (the increase in key rates not offset by an increase in the usury rate).

However, inflation can also represent an opportunity for the Group to adapt and provide innovative solutions to gain efficiency and encourage more virtuous behaviour (e.g., switching paper catalogues to digital, developing energy savings plans), with a positive long-term impact. Expertise in anticipating and controlling inflation (e.g., Argentina) can also be a competitive advantage.

The political and social climate in the operating countries could also deteriorate, possibly leading to political and social unrest that could affect the business climate. In particular, social tensions could arise as a result of pressure on wages caused by inflation and recruitment difficulties in a tense labour market.

Potential impacts of the risk on the Group:

- increased consumer price sensitivity or a shift in purchasing towards entry-level products or discount models, as a result of reduced purchasing power;
- a decline in consumption leading to a fall in sales;
- a deterioration in profitability due to higher purchasing costs and employee salaries;
- a deterioration in the price image in the event of price actions lagging behind the competition;
- unfavourable developments in the legislative and regulatory framework, such as price freezes on basic necessities (e.g., Argentina);
- risk in respect of the translation of financial statements into euros in some countries, mainly related to a decline in value of the functional currency in those countries, in particular Argentina;
- a deterioration in the social and business climate.

Key mitigation measures adopted by the Group:

- sharing best practices on managing inflation;
- monitoring the change in costs of direct and indirect purchases;
- price (re)negotiation with suppliers;
- pooling purchases, particularly at the European level;
- seeking alternative sources and opportunity buying;
- monitoring the pricing policies of the competition;
- anticipating inflation in the preparation of budgets;
- savings plans (including energy savings);
- working on the price-promotion-loyalty equation, mainly by optimising the promotional strategy and focusing on Carrefour-branded and value products;
- a range of measures to promote purchasing power (e.g., Anti-inflation Basket – 200 products at an average price of 2 euros in France);
- stepping up the roll-out of the Supeco format, mainly in Spain, and continuing to expand the Atacadão cash & carry format in Brazil, with the launch of a pilot scheme in France also scheduled for 2024;
- adapting the conditions for granting consumer credit;
- monitoring the changing economic climate and future outlook in the operating countries, especially through performance reviews aimed at defining and updating strategic plans;
- a global monitoring system and risk mapping for the most vulnerable countries, taking into account a large number of indicators, with regular updates and a forward-looking tracking method.

These tools support decision-making in the context of the Group's international growth.

(1) IMF, World Economic Outlook, October 2023.

Competitive pressure

Providing quality food that is accessible to all as a way to differentiate

Description of the risk:

Retailers are subject to intense competitive pressure. The sector is highly exposed to changing consumer behaviour in a climate of technological disruption and high inflation that is increasing pressure on purchasing power worldwide. It has reached saturation point in Europe, particularly in France, leading to severe pressure on margins.

Intense competitive pressure in the retail industry is reflected in:

- a historically very price-competitive market;
- traditional retailers from the physical retail world (including specialists in fresh or organic products) are broadening their footprint in e-commerce (via Drive, home delivery and click & collect solutions), with some players like Carrefour developing an omni-channel strategy in order to differentiate themselves;
- digital-only banners competing with historical operators by offering an innovative range of products and services and increasingly establishing a physical presence, particularly through partnerships or acquisitions.

Franchising is a key area of development for the Group. The challenge is to build a franchise model that ensures created value is shared equally between the players. The banners may also find themselves in competition to recruit the best franchisee candidates.

In response to this competitive pressure, Carrefour has built a solution based on a commitment to provide high quality products and food which are accessible to all across all distribution channels.

Potential impacts of the risk on the Group:

- a deterioration in the price image in the face of aggressive competition;
- a decline in the proportion of customer spending captured by the Group's stores (i.e., the banner's market share of total customer spending);
- a deterioration in Carrefour's image in terms of the adequacy of its product and service offer;
- a decline in the attractiveness of the Carrefour banner for existing or potential franchisees;
- a fall in market share;
- a fall in sales.

Key mitigation measures adopted by the Group:

- setting objectives focused on customer satisfaction, particularly through the Net Promoter Score®, and working on operational excellence;
- continuously adjusting the price-promotion-loyalty equation, with price investments, especially Carrefour-branded products, and more effective promotions, driven by better cost control;
- stepping up the roll-out of the Supeco concept, mainly in Spain;
- opening the first Atacadão pilot in France, scheduled for 2024;
- consolidating the Group's market share in key countries: acquiring the Cora and Match banners in France, 47 SuperCor supermarkets and convenience stores in Spain and Cora operations in Romania;
- in France, launching Potager City, a local fresh produce convenience store banner;
- deploying the Maxi method in hypermarkets and supermarkets, which refocuses shops on the key needs of their customers according to each catchment area, with an adapted and simplified food offering and a more comprehensible, cross-cutting non-food offering;
- enhancing the value lines, mainly through SIMPL and the "In & Out" bargain basement concept;
- freezing prices of basic products in some countries;
- sustaining the commitment to the food transition through the global Act for Food programme;
- continuing to accelerate the development of e-commerce and omni-channel retailing;
- improving recruitment processes (e.g., digitalisation, financial guarantees) and supporting franchisees.

Regulations applicable to the retail industry

Adapting to stricter local regulations

Description of the risk:

The Group's business operations are guided by a legislative and regulatory framework that aims to reconcile freedom of trade with the objectives of protecting the free play of competition (competition law and restrictive practices law) and protecting consumers (consumer law).

The framework is extremely restrictive in European countries where the Group operates (France, Belgium, Spain, Italy, Poland and Romania). It also applies to pooled bargaining structures. Such commercial practices are increasingly regulated, in particular by the European directive on unfair trading practices (2019) in business-to-business relationships in the agri-food sector. The transposition and implementation of the directive required the existing regulatory framework in each country to be adapted (e.g., in Romania).

This relates in particular to the "EGalim" (2018) and "EGalim 2" (2021) laws in France, which aim to promote balanced trade relations with the agricultural sector and healthy and sustainable food. Reinforcing the initial "EGalim" law, "EGalim 2" mainly focuses on taking better account of farmers' production costs. Coming into force in April 2023, the "EGalim 3" law extends the scope of restrictions defined by "EGalim 2" and reinforces some of its mechanisms.

The risk of non-compliance with the legislative and regulatory framework could occur as a result of:

- anti-competitive practices, such as cartels with competitors or with suppliers, which would distort the free play of competition;
- restrictive competitive practices, such as financial negotiations with suppliers with either no or disproportionate consideration (creating a significant imbalance in the rights or obligations of the parties) and the sudden termination of business relations;
- unfair or misleading commercial practices, such as false or misleading advertising.

Potential impacts of the risk on the Group:

- financial sanctions for anti-competitive practices;
- financial sanctions for restrictive competitive practices;
- criminal and financial sanctions for unfair or misleading commercial practices;
- a reduction in the negotiation margin with suppliers;
- harm to the Group's image.

Key mitigation measures adopted by the Group:

- a framework of strict procedures and rules governing each practice (purchases, rebates, managing promotions, pricing, etc.);
- regular employee training and awareness-raising sessions on the regulations applicable to the retail industry (with the scope of these sessions being continuously expanded);
- legal intelligence and monitoring of obligations;
- taking regulatory change into consideration in business operations, in particular in managing the price-promotion-loyalty equation (e.g., price reduction policy and promoting the loyalty programme).

Pressure and instability of tax and social security legislation

Maintaining economic balance in an unstable economic and social climate

Description of the risk:

Due to the nature of its operations, the Group pays large amounts of tax and social security contributions in the countries where it operates.

It is subject to a large number of different taxes and other levies, in particular:
- in France, with almost 80 different levies, heavily weighted to production taxes and social security contributions;
- in Brazil, with complex tax rules including a state tax on goods and services (ICMS) and federal contributions to the social integration programme and to the financing of the social security system (PIS-COFINS). Nevertheless, the Brazilian Congress approved a tax reform on December 15, 2023 aimed at simplifying its consumption tax system by creating two value added taxes (VAT), a federal contribution (CBS) and a local contribution (IBS), replacing the five previous taxes (IPI, ISS, ICMS, PIS, COFINS). This reform will apply from 2026, with a transition period running until 2033.

The instability of tax and social security legislation in some countries creates risks and uncertainties in the Group's operations in those locations. The Group could experience difficulties in managing and anticipating changes in the applicable tax and social security legislation.

In practice, the worsening economic situation could prompt governments to seek new tax and social security revenues to cover public deficits.

More specifically, risks related to tax regulations could occur in particular as a result of:
- an increase in tax pressure on businesses as a result of the slowdown in economic activity;
- increased reporting obligations (e.g., e-invoicing and e-reporting in France from July 2024);
- complexity of and changes in tax systems, particularly in Brazil.

Increased pressure from social security regulations on Carrefour could result in an increase in:
- the minimum wage;
- social security contributions.

Potential impacts of the risk on the Group:

Poor anticipation or assessment of changes in the tax and social security environment could have an adverse impact on the Group's financial performance and operations. It could also jeopardise business continuity in some regions.

The main impacts of the occurrence of this risk would be:
- a deterioration in attractiveness and competitiveness, mainly due to price image if the cost increase is passed on in selling prices;
- a deterioration in profitability due to the increase in tax and social security costs, if not sufficiently passed on in selling prices;
- harm to the Group's image;
- business continuity potentially in jeopardy in some countries;
- sanctions for poor application or interpretation of the applicable legislation.

Key mitigation measures adopted by the Group:

To mitigate this risk, regulatory change is monitored and taken into account by the relevant Functional departments, including:
- the Finance department, and in particular the Tax department, as regards changes in tax legislation;
- the Legal and Human Resources departments, as regards changes in social security legislation.

The following measures have also been implemented:
- ongoing monitoring and mapping of tax and social security changes in each country, in particular regarding the tax reform currently under discussion in the Brazilian Congress;
- employee training in the various reforms, with the appointment of dedicated experts where necessary;
- a plan for the digitalisation of tools and centralisation of data (e.g., processes, databases);
- defence of the Group's interests with the competent authorities (e.g., Government, Chamber of Commerce);
- tax and social risk analysis to make sure that adequate provisions are taken;
- operating discipline to control the cost structure and limit the amount of new tax and social security costs passed on in selling prices.

Personal data protection Δ

Maintaining and strengthening the control system

Description of the risk:

Personal data protection is governed by legislation such as the General Data Protection Regulation (GDPR), which came into effect in the European Union on May 25, 2018, in addition to national legislation such as the General Data Protection law, which came into effect in Brazil on September 18, 2020.

These regulations set out a legal framework for personal data protection, strengthening citizens' rights and imposing new obligations and financial penalties on companies.

The Group has adapted its organisation and processes, in particular by creating a Legal department dedicated to the protection of personal data (headed by a Data Protection Officer – DPO) at head office and within operations. Given the large amount of customer, employee and supplier data collected and managed by the Group, constantly evolving applicable regulations, the increasing number and complexity of solutions and information systems and the Group's commitment to digital technology, strict compliance with the applicable regulations may not always be possible.

Potential cases of non-compliance are as follows:

- misuse of personal data in relation to the purposes outlined to data subjects at the time of collection (i.e., unlawful use);
- the use of solutions and partners that do not offer the necessary guarantees on the protection of personal data;
- a defect in the design of projects involving the processing of personal data (privacy by design) or making appropriate recommendations;
- inability or difficulties for data subjects to exercise their rights over their personal data (e.g., right to be forgotten, right of access and right to data portability);
- failure to provide data subjects with clear, concise information, particularly about data retention periods, profiling, their rights and available remedies;
- failure to protect personal data or to notify any breach of personal data to the control authorities and the relevant data subjects.

Potential impacts of the risk on the Group:

The risk could have three kinds of consequences:

- financial: financial penalties (up to 4% of Group sales), investments imposed by the authorities to remedy any cases of non-compliance, or the Group being found financially liable in legal proceedings instigated by its partners or the individuals concerned;
- reputation: disengagement of customers, employees or partners should they consider that the Group is not complying with regulations and that this has been detrimental to them;
- operational: the inability to provide products and services in the event of a breach in the availability of personal data (e.g., accidental deletion, external attack).

Key mitigation measures adopted by the Group:

The Group has taken the following actions to mitigate this risk:

- follow-up and reinforcement of a Group compliance system with support from the relevant departments in each country;
- the coordination of this system by the Group Data Protection Officer (DPO) and their teams;
- training and awareness-raising of employees in personal data protection (and development of e-learning to ensure training continuity, with the scope of such training being continuously expanded);
- drafting and sharing of a Group Privacy Policy;
- the application of second and third level controls.

Appropriateness of the retail model

Meeting the expectations of Carrefour customers and anticipating changes in consumption patterns

Description of the risk:

The macroeconomic environment is impacting customers' purchasing power and competition, accentuating the challenges faced by the Group in defining and adapting its business model. and its offer could be inadequate in the following areas:

- the price-promotion-loyalty equation: price levels, promotions and the generosity of the loyalty programme to recruit and build customers' loyalty while preserving their purchasing power, in particular through the development of Carrefour-branded products – the main lever for the price image;
- the extent to which the commercial offer (products and services offered) meets customers' expectations, with CSR as a differentiating factor in a very competitive environment;
- the balance between the different distribution channels, both digital and physical (hypermarkets, supermarkets, convenience stores and cash & carry), with regard to the consumption habits of the different countries.

Potential impacts of the risk on the Group:

- difficulties in winning customers or retaining their loyalty;
- a deterioration in the price image;
- a decline in footfall in the Group's stores;
- a decline in the proportion of customer spending captured by the Group's stores (i.e., the banner's market share of total customer spending);
- a loss of market share;
- a deterioration in profitability.

Key mitigation measures adopted by the Group:

- tracking and analysing market share by format, price indexes, competition and changes in consumer preferences;
- adapting the offering to the catchment area in a more targeted way;
- deploying the Maxi method in hypermarkets and supermarkets, which refocuses shops on the key needs of their customers according to each catchment area, with an adapted and simplified food offering, and a more comprehensible non-food offering of selectively promoted items;
- stepping up the roll-out of the Supeco format mainly in Spain and continuing to develop the Atacadão cash & carry format in Brazil through the conversion of former Grupo BIG stores and in France with the first Atacadão pilot store due to open in 2024;
- accelerating measures to reduce plastic packaging and combat food waste;
- monitoring external growth opportunities to improve the format mix and gain market share;
- expanding the convenience format through franchising in countries where there is demand;
- continued cost cutting to provide the headroom to invest in the marketing drive;
- introducing anti-inflation measures (e.g., the anti-inflation basket launched by Carrefour France, with 200 products sold at an average price of 2 euros);
- optimising the promotional strategy for Carrefour-branded products in conjunction with national brands;
- Carrefour launching an international coalition in September 2023 with seven industrial partners to accelerate sales of plant-based meat alternatives.

Product availability in store or online ♣

Ensuring product availability across all distribution channels despite disruptions in the supply chain

Description of the risk:

Carrefour may be faced with unavailability or shortages of food or non-food products, in its shops or on its e-commerce sites, which can be a major irritant for customers.

Unavailability or shortages are caused by disruptions in the supply chain, of varying duration, occurring at different stages and originating from different sources.

2023 was marked by persistent inflation, the war in Ukraine and climatic events. Such events created tension in supply chains, including:
- global short-term food shortages (e.g., wheat, sunflower oil), with a direct impact on store shelves;
- a deterioration in service rates due to driver shortages (especially in Europe);
- tensions – aggravated by inflation – in commercial relations with suppliers and logistics providers;
- occasional shortages due to precautionary stockpiling by customers.

The challenge for the Group is to minimise the impact of the disruptions on product availability across all its distribution channels, both physical and digital, through the following actions:
- anticipating fluctuations in supply in terms of price and available volumes;
- anticipating fluctuations in consumer demand (precautionary buying);
- continuously adapting the entire supply chain to maximise service rates (in warehouses and in stores).

On a more structural level, Carrefour's aim is to ensure the operational efficiency of all its supply chain management processes, from sales forecasting to the placement of products on shop shelves.

Potential impacts of the risk on the Group:

- harm to Carrefour's image;
- a decline in customer satisfaction;
- a drop in the number of visits to Carrefour stores and e-commerce sites;
- a fall in market share;
- a fall in sales.

Key mitigation measures adopted by the Group:

- continuous monitoring of service rates and on-shelf availability rates;
- performance monitoring of logistics providers;
- supply chain optimisation (costs and productivity);
- automation through digitalisation of forecasting and ordering processes;
- active communication with suppliers to anticipate shortages;
- seeking alternative ingredients, products and suppliers;
- opportunity purchases and buffer stocks (especially for certain sensitive products);
- preparing and implementing business continuity plans in the event of partial or total failure of one or more warehouses;
- setting up sourcing crisis units.

Carrefour's image

Preserving and nurturing the Carrefour group's image around the globe

Description of the risk:

Just as with financial and human capital, the Group's image and reputation are a strategic asset for the Group.

Its image is formed by all of Carrefour's actions as a player in society, as a retailer and as an employer, at a time of severe pressure on purchasing power and increasing demands from stakeholders, particularly in terms of environmental, social and governance responsibility, which is supported by a range of European regulations such as the Corporate Sustainability Reporting Directive (CSRD, already in force) and Corporate Sustainability Due Diligence Directive (CS3D, yet to come into force).

The challenge for the Group is to manage its image in a harmonised way across all its distribution channels (physical and digital) and modes of communication (social networks, customer services, traditional media, etc.).

In this context, the growth of social networks, in terms of resonance and influence, is an essential parameter to take into account. Beyond the risk, optimal management of social networks represents an opportunity for Carrefour to effectively manage its reputation.

Failure in the management of the Group's image could occur in the following ways:
- an inadequately defined or executed communications strategy that fails to differentiate the company from the competition;
- or which is not aligned between the different media or sales channels (e.g., integrated and franchised stores, websites);
- a late or inappropriate response to a crisis relayed by social media and traditional media (e.g., disinformation campaign, food scandal, accident in a store, etc.);
- a lack of alignment among responses to consumers across different customer service channels (e.g., email, web, phone, etc.).

Potential impacts of the risk on the Group:

- a deterioration in the business climate for the Group (e.g., difficulties in forging new strategic partnerships or negotiating with suppliers);
- a drop in the number of visits to Carrefour stores and websites;
- a deterioration in market share against certain competitors;
- difficulty in attracting or retaining employees.

Key mitigation measures adopted by the Group:

- a crisis management policy at the Group, country and business unit levels;
- media monitoring (including social networks);
- setting up a governance structure dedicated to ensuring compliance with European environmental, social and governance regulations;
- creation of dedicated teams in certain countries (e.g., press relations);
- better management of communication, particularly via social networks;
- continuous improvement of customer service;
- continuous reinforcement of quality processes and safety of people and property;
- the conclusion of a premium partnership agreement as part of the Paris 2024 Olympic and Paralympic Games;
- developing measures to promote diversity and inclusion in the Group;
- training and support for store employees (including franchisees) and third parties (e.g., suppliers, security providers).

Control of movable and immovable assets ♣

Securing and modernising the Group's real-estate assets and equipment to optimise the customer experience and energy performance

Description of the risk:

Quality of the Group's assets is a major issue in terms of competitiveness and financial and operating performance. Their management consists of making sure they can continue to operate (by conducting structural, performance and equipment audits, for example), monitoring compliance with all applicable regulations such as fire standards and European F-Gas regulations, while also ensuring the quality of the customer experience.

Another fundamental challenge is enhancing the value of assets while remaining committed to environmental protection (e.g., reducing energy consumption, preserving resources and biodiversity, making assets resilient to climatic events) and customer expectations.

In addition, due to the large number of stores that operate in rented premises with third-party lessors, and the Group's activity as a lessor of shopping centre premises, its inability to negotiate or renew commercial leases on favourable terms could affect its financial performance and the long-term viability of certain stores. The same would apply in the event of poor management of relationships with lessors and tenants of sites owned or operated by the Group.

Potential impacts of the risk on the Group:

Deterioration of the Group's movable and immovable assets could lead to:

- devaluation of its assets;
- a decline in customer footfall in its stores due to a deterioration in the customer experience;
- breakdowns or interruptions disrupting business continuity;
- the gradual obsolescence of equipment, impacting their performance (e.g., cooling systems);
- closure of a site by the authorities due to non-compliance;
- a threat to the safety of people and property;
- contamination of the ground with hydrocarbons due to failure to maintain the service stations.

Key mitigation measures adopted by the Group:

The Group has taken the following measures to manage movable (cooling systems) and immovable assets (shopping centres, stores, warehouses and service stations):

- a dedicated Property, Technical and Expansion department, made up of business specialists and supported by approved service providers;
- legal and technical monitoring to ensure that assets comply with the latest applicable regulatory and safety standards;
- monitoring of the criticality and degradation of its real estate assets by the asset managers, building managers, technical departments and third-party owners, who define and plan the necessary actions through multi-year investment programmes;
- the launch of the "Climate Assets" project, which involves measuring the exposure of sites to natural and climatic risks in order to share best practices and implement appropriate safety measures;
- regular preventive audits of sensitive facilities and installations (e.g., fire protection equipment);
- a frequently reviewed crisis management procedure in the event of an incident;
- a business continuity plan (list and analysis of critical functions and resources, arrangements for resuming business as usual after the crisis);
- conducting technical audits of service stations;
- monitoring energy infrastructures and focusing on more energy-efficient solutions;
- the deployment of automated building management systems (Building Management Systems/Centralised Technical Management) to optimise energy performance.

The measures taken by the Group to mitigate the risk related to its activity as lessor of shopping centre premises include:

- a rental and asset management team, providing ongoing support to lessors and tenants;
- a property management team, tasked with optimising asset operating costs;
- a Legal Property department, responsible for analysing and drafting deeds (e.g., leases, amendments, protocols), joint ownership regulations and regulatory and legal monitoring;
- adopting measures and tools to support tenants;
- monthly decision-making committees, enabling precise monitoring of property assets and contractual deadlines.

Securing the growth of e-commerce

Developing a benchmark-level omni-channel universe by bringing stores and e-commerce closer together

Description of the risk:

The growth in e-commerce (particularly in food) has pushed players from the physical retail sector, such as Carrefour, to accelerate the development of their digital offering (home delivery, Drive, click & collect). Against this backdrop, the Group has put the development of e-commerce and omni-channel retailing at the heart of its digital strategy, with a target for 10 billion euros in e-commerce GMV in 2026.

Long-standing traditional retailers are competing with digital-only banners who offer an innovative product and service range and who could establish a physical presence, particularly through partnerships or acquisitions.

To achieve its objectives, the Group must continue to adjust its supply chain and its store and warehouse operations, in order to guarantee a high quality of service and the best possible customer experience for all online shoppers. In addition, the Group must constantly adapt to changes in market demand (e.g., a peak in activity during the Covid-19 pandemic) and customer expectations by optimising its business model and production facilities.

Customers could find that the range of products and their availability online is not as good as in stores, and that prices are too high. They could also decide that the quality of digital services is not good enough, for example a poor order conformity rate, too limited a choice of delivery or pick-up times, or inadequate customer service.

Potential impacts of the risk on the Group:

- mismatch between demand and online order picking and preparation and delivery capacities (e.g., saturation of Drives);
- harm to Carrefour's image;
- a decline in customer satisfaction;
- a loss of market share and capture of growth in e-commerce sales;
- a deterioration in profitability of online operations;
- a correlated decline in physical sales to omni-channel customers.

Key mitigation measures adopted by the Group:

- monitoring and analysis of customer satisfaction with the e-commerce offer;
- digital upskilling of employees (e.g., the Digital Retail Academy in France to manage digital change and develop digital talent);
- adapting the e-commerce product and service offer to market developments (e.g., competitors, customers);
- reinforcing partnerships with food e-commerce operators (e.g., Uber Eats, Glovo, Rappi, Takeaway.com);
- integrating OpenAI technologies on the Carrefour website with the launch of a shopping experience that uses generative AI;
- monitoring the order conformity rate by country;
- implementing specialised logistics tools to improve the conformity rate;
- improving picking model processes (hybrid, in-store picking and in-warehouse picking) to improve the quality of service (conformity rate and compliance with delivery or pick-up times);
- improving the productivity of picking models to boost their profitability;
- rolling out the hybrid model to increase picking capacity with a high order conformity rate;
- developing the non-food e-commerce offering (e.g., the Carrefour Marketplace on Rakuten);
- sharing best practices between countries to improve the customer experience and pathway.

Attracting and retaining talent Δ

Attracting and retaining talent to offer customers the best quality of service in a tight labour market

Description of the risk:

With more than 335,000 employees working under Carrefour banners, the Group was one of the world's top 50 private employers in 2023. In a tight labour market (in which the unemployment rate is at its lowest level since 2005: 4.9% in the OECD at mid-2023[1]) – where the sector's image plays a key role – attracting and retaining the best candidates is essential to achieving the Group's strategic objectives. The quality of the services offered to customers depends on the competence, commitment and motivation of the employees.

The Group is pursuing its digital transformation, which is at the heart of its Carrefour 2026 strategy, with significant investment in digital innovation. Attracting digital-savvy talent – who are in particularly high demand in the market – is a real challenge. Tensions in recruitment are also being noticed in some of the Group's key operational functions.

The talent attraction and retention policy must balance multiple components that form a complex equation: an attractive social model, an engaging corporate culture, competitive compensation, skills development, as much flexibility in work organisation as is possible and work-life balance.

Potential impacts of the risk on the Group:

- deterioration of employer image;
- a delay in achieving the Group's strategic objectives (particularly in terms of digital transformation);
- a lack of operational efficiency and competitiveness;
- employee disengagement;
- a talent drain;
- a loss of experience in and know-how of key processes;
- salary inflation in order to be able to recruit certain rare skills.

Key mitigation measures adopted by the Group:

- developing the employer brand (e.g., communication campaigns, presence in target schools and at professional events, graduate programmes for promising recent graduates, Institut du Management Marcel Fournier leadership programme);
- a talent retention and employee engagement programme (e.g., developing dynamic career plans, skills development policy, engagement survey, strengthening the corporate culture);
- a remote working scheme at all head offices;
- digital recruitment tools (e.g., launch of the new recruitment site in France) that improve the process for candidates and reach more candidates;
- defining succession plans to better anticipate departures/mobility;
- strengthening training programmes for shop employees and central functions, in particular on digital acclimatisation (e.g., e-learning modules, schools/internal workshops offered by specialists in the relevant fields);
- setting up an employee share ownership programme;
- actions related to the Paris 2024 partnership for the benefit of employees (e.g., organisation of a sports tournament, social benefits promoting access to sports facilities, raising awareness about physical activity).

(1) OECD - October 12, 2023.

Information systems (IS) underperformance and cyber security

Ensuring information systems integrity and performance

Description of the risk:

The Group's broad range of business operations (physical and digital retailing, real estate and financial services, retail media etc.) and processes rely largely on the reliability and effectiveness of many information systems, developed or administered by internal or external resources.

Accordingly, Carrefour strives to continuously improve its IT tools to enhance its performance, in particular to develop a benchmark-level omni-channel universe through investment in innovative solutions. Carrefour's competitiveness depends on its ability to respond to ever-changing consumer habits and expectations, particularly in relation to digital services.

As a first step, Carrefour needs to take regular stock of its tools and applications to prevent any obsolescence or underperformance. The achievement of the Group's strategic objectives, many of which are linked to digital technology, depends on the level of performance of various information systems (e.g., procurement, HR, e-commerce).

The Group must therefore identify the right partners, the right solutions and combine the right investments to address these issues, which are at the heart of the Company's development.

The Company's growing dependence on digital tools also places increasing demands on the management of the threat of cybercrime. A partial or total shutdown of these tools could disrupt Group business operations, particularly in terms of supply, cash collection, e-commerce, financial oversight and financial statement preparation.

Such a shutdown could be caused by various acts of cybercrime (such as ransomware). The obsolescence of tools or the complexity of interconnected systems (including with suppliers or partners) could amplify the impact of these acts.

Furthermore, information systems could be diverted from their normal use by malicious actors (e.g., use of Carrefour infrastructures to host malicious sites).

Lastly, information systems process and store sensitive data (such as personal data). These data could be stolen during a cyber attack and then possibly disclosed by the attackers.

Potential impacts of the risk on the Group:

- a competitive disadvantage that could lead to a fall in market share;
- partial or total business disruption (stores, warehouses, websites and applications), particularly during periods of peak activity;
- malfunctions in specific areas of its operations (e.g., order tracking, invoicing, cash collection);
- loss or leaks of sensitive data (about the Company, its customers, employees or partners);
- loss or deterioration of employee access to the IT tools required for them to do their jobs;
- financial losses for the Group, its partners or customers;
- sanctions imposed by regulatory authorities.

Key mitigation measures adopted by the Group:

- investment in digitalisation and innovation;
- digital upskilling of employees (e.g., the Digital Retail Academy to manage digital change and develop digital talent, training around 100,000 people each year);
- monitoring of the performance of critical information systems (e.g., e-commerce sites, logistics systems);
- an obsolescence and renewal management plan (IT roadmap);
- migration of information systems to the Cloud to improve security, accessibility and scalability;
- management of the system by the Group Information Security Committee, supported by a local country network;
- a global Vulnerability Operation Centre (VOC) to standardise cyber security incident management;
- a software vulnerability identification and mitigation programme;
- a programme to strengthen critical IT infrastructure;
- a global Security Operation Centre (SOC) to detect security incidents and a programme to standardise cyber security incident management;
- establishing business continuity and resumption plans in the event of an incident;
- automatic encryption of sensitive data using the DataSecure programme;
- protecting access to information systems via a second authentication factor;
- employee awareness-raising and training.

Product quality, compliance and safety Δ

Ensuring the quality of all products from manufacture to sale

Description of the risk:

Guaranteeing the quality and safety of Carrefour-branded products and complying with health standards across the entire supply chain and in stores are major issues. These issues are strengthened by the Act for Food programme (launched in September 2018), and are in line with Carrefour's *raison d'être* and ambition to be the leader in the food transition for all. The accelerated growth in the contribution from Carrefour-branded products (40% of food sales by 2026) means that quality requirements are even more pressing.

Non-compliance with specifications, purchasing rules, a labelling problem or failure in logistics tracking (e.g., cold chain compliance) could lead to Carrefour selling non-compliant products.

This risk could occur due to:
- a problem in defining the specifications for Carrefour-branded products (in particular with regard to compliance with Carrefour's commitments to the food transition for all);
- a defect in the manufacture of Carrefour-branded products;
- a failure to comply with safety requirements for imported products (excluding Carrefour-branded products);
- a breach of quality and health standards in the stores or warehouses (Carrefour-branded products or national brands);
- significant shortcomings in product controls and traceability (Carrefour-branded products or national brands);
- failings in the withdrawal and recall procedure for non-compliant products (Carrefour-branded products or national brands).

Potential impacts of the risk on the Group:

- a partial or total site closure due to non-compliance with health standards in stores or warehouses;
- financial and even criminal sanctions, especially in the case of incidents involving Carrefour-branded products;
- financial losses linked to withdrawal and recall procedures for Carrefour-branded products;
- harm to Carrefour's image;
- a decline in customer satisfaction;
- a fall in market share;
- a fall in sales, particularly in Carrefour-branded products.

Key mitigation measures adopted by the Group:

The Group Quality department has developed a number of standards and tools, including Quality Charters, which are deployed in all countries where the Group operates. The country-level Quality departments are also part of the Quality network, with regular meetings and discussions aimed at sharing best practices and ensuring a consistent approach at Group level.

More specifically, the mitigation measures taken focus on the following issues:
- implementing and strengthening purchasing rules at Group level, with commitments supporting the food transition and product quality;
- developing the quality culture in the Group through employee training and awareness-raising, especially concerning product withdrawal and recall procedures;
- regular monitoring of indicators, site audits and laboratory analyses of products;
- digitalising procedures and withdrawal and recall tools (e.g., Alertnet) for non-compliant products to warn store managers of non-compliant products and block those products at checkout;
- ongoing improvement to communication flows about product withdrawal and recall procedures;
- defining and implementing a crisis management policy.

4.1.3 INSURANCE

The Group has a comprehensive insurance policy which provides protection for assets and people, while also protecting against all liabilities incurred by the Group in the course of its business.

4.1.3.1 Group insurance policy

The Group's insurance strategy is primarily based on identifying insurable risks through a regular review of existing and emerging risks, in close cooperation with operational managers, the various Carrefour group departments involved, and external consultants.

Worldwide programmes

In order to cover the main risks identified, Carrefour has set up group insurance programmes worldwide (notably for property damage and business interruption, civil liability, civil liability coverage for Executive Officers, cyber risks, etc.) with renowned international insurers, guaranteeing a uniform level of cover for all its risks within the consolidated scope.

Acquisitions during the year

Automatic consolidation mechanisms and procedures are put in place to consolidate acquisitions into Group programmes as soon as risks are transferred.

Where applicable, Group policies are complementary to non-policy coverage.

Prevention policy

The Group's insurance policy requires that risk prevention measures be monitored by the Group Security department in coordination with local Group liaisons in each country, as well as with the Group's insurers.

Transfer of insurable risk and self-insurance of some risks

In order to optimise insurance costs and better manage risk, and in line with its insurance policy, the Group transfers identified insurable risks to the insurance market and has a policy of maintaining certain high-frequency risks within property damage and business interruption, civil liability and goods transportation through its internal re-insurance company. The results of this internal company are consolidated in the Group's financial statements.

The level of risk accepted by the internal re-insurance company is controlled and based on the limits of the coverage granted per insurance year.

4.1.3.2 Information concerning the main insurance programmes

The following is provided for information purposes only in order to illustrate the scope of action in 2023. This information should not be regarded as unchanging, since the insurance market is constantly evolving. The Group's insurance strategy therefore depends on and adapts to insurance market conditions.

Property damage and business interruption coverage

This insurance protects the Group's assets through an "all risks, with exceptions" policy, on the basis of guarantees available on the insurance market to cover the traditional risks for this type of coverage, which include fire, lightning, theft, natural disaster and the resulting operating losses.

The limits and exclusions of this property damage and business interruption policy are consistent with market practices. Deductibles are established as appropriate for the various store formats.

Civil liability coverage

This programme is intended to cover the Group against the financial consequences of its civil liability in the event that the Company may be held liable for resulting damage and/or bodily harm caused to third parties.

Limits and exclusions in force for this policy comply with market practices. Deductibles vary from country to country.

The civil liability policy also covers risks related to environmental damage.

Mandatory insurance

The Group takes out different insurance programmes in accordance with local law, including:

- auto insurance;
- construction insurance (building defects, ten-year builder liability, etc.);
- professional liability insurance related to its activities:
  - banking,
  - insurance,
  - travel.

4.2 Internal control system

4.2.1 DEFINITION AND OBJECTIVES OF THE INTERNAL CONTROL SYSTEM

4.2.1.1 Introduction and applicable reference framework

The Carrefour group's internal control system is based on the risk management and internal control system reference framework published by the French financial markets authority (*Autorité des marchés financiers* – AMF) in 2007 and updated on July 22, 2010. The AMF's reference framework covers the implementation of risk management and internal control systems, comprehensively addressing procedures relating to the oversight and preparation of accounting and financial information from an internal control perspective, as well as risk management and internal control practices.

It is consistent with the COSO (Committee of Sponsoring Organizations of the Treadway Commission) internal control framework. The Group's compliance and alignment with these standards and directives strengthen its internal control system, while ensuring that the risks associated with its activities are prudently and diligently managed. These established practices illustrate the Group's commitment to robust and transparent corporate governance, in line with the best international standards and practices in risk management and internal control.

The Group's banking and insurance businesses in France have their own system which complies with the decree of November 3, 2014 on internal control in companies in the banking, payment services and investment services sector, and with Directive 2009/138/EC (the "Solvency II Directive") on risk governance and management in insurance companies. These businesses are supervised by the French prudential supervision and resolution authority (*Autorité de contrôle prudentiel et de résolution* – ACPR).

4.2.1.2 Objectives of the internal control system

The internal control system comprises a set of permanent resources, standards of conduct, procedures and actions adapted to the individual characteristics of the Company and its subsidiaries, which:

- contribute to the control of its businesses, the efficiency of its operations and the efficient use of its resources; and
- enable it to deal appropriately with all major operational, financial or compliance-related risks.

More specifically, the internal control system is designed to ensure that:

- the Group's economic and financial targets are achieved, in accordance with laws and regulations applicable Group-wide;
- instructions and directional guidelines established by the Group's Executive Management for accounting and financial matters are applied;
- internal processes are working correctly, particularly those contributing to the security of assets; and
- published accounting and financial information is reliable.

4.2.1.3 Scope and limitations of the internal control system

The internal control system presented in this report is implemented in the Company and all its fully-consolidated subsidiaries, and covers a larger scope than the procedures relating to the preparation and processing of accounting and financial information. The main objective of the internal control system is to provide an exhaustive assessment of the Group's entities, while classifying their internal control environments according to a standardised maturity scale. This approach makes it possible to compare management practices across different parts of the company and makes it easier to identify important areas for improvement.

By helping to prevent and control the risks that may prevent the Group from achieving its objectives, the internal control system plays a key role in the management and oversight of these activities. However, as the AMF reference framework underscores, no matter how well designed and properly applied, an internal control system cannot fully guarantee that the Group's objectives will be achieved. There are inherent limitations in all internal control systems, which arise, in particular, from uncertainties in the outside world, the exercise of judgement or problems that may occur due to technical or human failure, or simple error.

4.2.2 INTERNAL CONTROL ORGANISATION AND PARTIES INVOLVED

4.2.2.1 Internal control environment

The Group's internal control system is part of a system of values driven by the governing bodies and Executive Management, and conveyed to all staff as part of efforts to build a corporate culture focused on integrity, ethics and awareness of risk control and management.

The Group has set up a formal control environment through a Group internal control system comprising:

- internal control framework;
- Sapin II controls framework;
- a definition of the powers, responsibilities and objectives assigned at each level of the organisation, according to the principle of the separation of duties;
- procedures containing guidelines for managing critical financial processes; and
- various control activities, procedures and measures implemented by the country-level teams under the Group's supervision.

The Group internal control and Sapin II regulatory frameworks are drawn up and managed by the Group Internal Control department. These are the main tools used in each country to assess and monitor the design and effectiveness of its internal control systems, which are themselves audited by the Group. Containing around 250 rules that are mandatory for all countries, the frameworks are deigned to cover:

- general internal control risks such as delegations of power, separation of duties, risk mapping, business continuity plans and document archiving;
- accounting and financial risks;
- operational risks related to the main purchase, stock, sale or property management transactions;
- risks associated with the safety and security of property and people;
- risks to the continuity, integrity, confidentiality and security of information systems;
- compliance, corruption, influence peddling and money laundering risks.

In addition, the Group's Executive Management has established rules of governance limiting the powers of the company officers of each Group company. Prior approval by the Board of Directors or the equivalent body of the Company concerned as well as the Internal Investment Committees is required for some transactions. Delegations of powers and responsibilities are established at country and Group level in accordance with hierarchical and functional organisational charts. This structure complies with the principle of the separation of duties.

The Group internal control system described above is rolled out across the Group's entities in the form of shared guidelines, and is implemented in the various countries through precise operational procedures, defined control activities and periodic control assessment and testing exercises.

The Group ensures the guidelines for managing critical financial processes are circulated, and that relevant and reliable information is disseminated and conveyed to the parties concerned so that they can perform their duties in accordance with Group standards and procedures:

- the Group's Functional departments participate in drawing up Group rules for their area of activity and may, where appropriate, apply these rules in procedures and best practices for Group entities;
- the Group's regulatory framework is circulated to all Country Executive Directors, Finance Directors and Internal Control Directors during the self-assessment campaign;
- the Group's accounting close instructions are sent to all Finance Directors at the end of each month and quarter;
- the Group Investment Committee's governance rules are sent to all Finance Directors.

Similarly, the countries make sure to relay relevant, reliable information to the parties concerned so that they can perform their duties in accordance with Group standards and procedures.

4.2.2.2 Internal control organisation

Internal control activities are designed to ensure that the necessary measures are taken in order to reduce the Group's exposure to the strategic, operational and asset risks likely to affect the achievement of its objectives. Control activities take place throughout the organisation, at every level and in every function, including prevention and detection controls, manual and IT controls, and hierarchical controls and the separation of duties.

As part of a continuous improvement approach to internal control, Carrefour has created a Group Internal Control department, which reports to the Group Finance department and is responsible for leading and coordinating the system at Group level. The Group Internal Control department is thus supported by a network of local internal control officers in the Group's host countries and entities. The local internal control managers, most of whom hold management positions, report hierarchically to the local Finance Director and functionally to the Group Internal Control Director.

The entity-level Finance Director is responsible for setting up, running and supervising the internal control system within his/her scope of responsibility. To do this, the entity-level management teams, under the guidance of local internal control officers, deploy procedures and operating methods, including control activities required to cover all the strategic, operational and asset risks relating to their businesses and organisation. These procedures and operating methods include and extend the key controls set out in the Group regulatory framework.

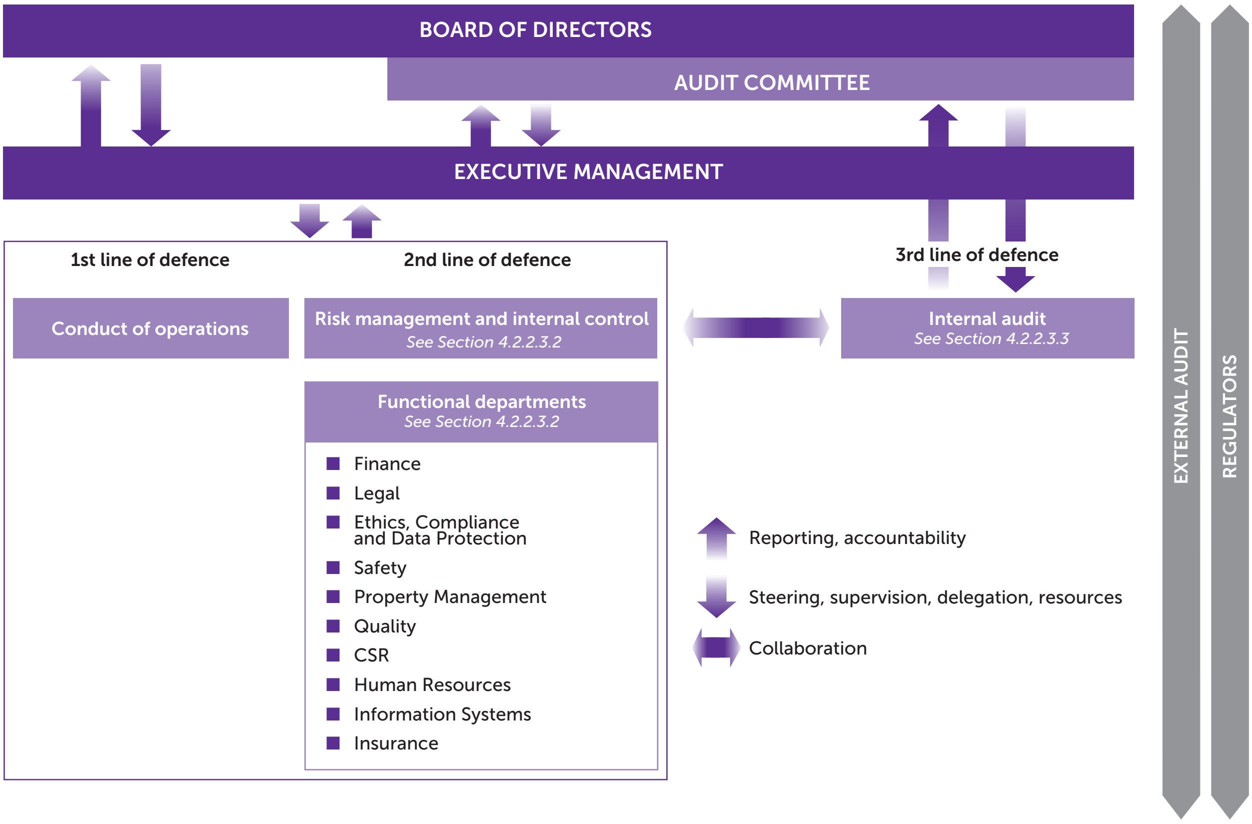
Local internal controllers support the entity-level Finance Director by:

- helping to define the country internal control system, particularly by ensuring that the Group internal control system is properly rolled out;
- ensuring that procedures defined by the entity and the Group are properly applied, and, in the event of weaknesses, assisting Operational and Functional departments in implementing remediation programmes.

In addition to local internal controllers, specialists within the Functional departments support operatives at all levels of the organisation, in compliance with the "three-lines of defence" model presented below, which helps spread best internal control practices.

4.2.2.3 Parties involved in internal control

The various parties involved in the Group's risk management and internal control are described below. They are organised in accordance with a "three lines of defence" model as shown in the following diagram:



First line of defence: the operational managers, responsible for evaluating, preventing and controlling risks, principally through an appropriate control system covering all processes for which they are responsible. They thus assure the day-to-day management of activities and operations using the most effective risk management practices at process level.

Second line of defence: risk management and internal control in coordination with the Functional departments, which are responsible for their area of expertise. The objective is to structure and maintain the system of control over the organisation's business operations (see Section 4.2.2.3.2).

Third line of defence: Internal Audit, operating independently from management to provide assurance and insight on the adequacy and effectiveness of governance and the management of risks (see Section 4.2.2.3.3).

4.2.2.3.1 Internal control governing bodies

The **Board of Directors** reports on the Group's principal risks and uncertainties in the management report, by assessing the main features of internal controls.

Through its supervisory role, the Board is also involved in internal control. It takes note of the process for preparing financial information as well as the essential characteristics of the internal control and risk management systems communicated by the Audit Committee and the Group's Executive Management. It also takes note of the CSR risk prevention plan provided by the CSR Committee.

The duties of the **Audit Committee** established by the Board of Directors are to:

- review the financial statements and ensure that the accounting methods adopted to prepare the Company and consolidated financial statements are relevant and consistent before they are presented to the Board of Directors. It monitors the procedures used to prepare the financial statements and assesses the validity of the methods used to present material transactions;
- monitor the process for preparing financial information and, where applicable, make recommendations to ensure the integrity of such information;
- monitor the effectiveness of the internal control, risk management and, where applicable, internal audit systems relating to the preparation and processing of accounting and financial information, without compromising its independence. It ensures that such systems are in place and implemented, and that corrective measures are undertaken in the event that any failings or anomalies are identified. For this purpose, the Statutory Auditors and the internal control and internal audit managers submit their main findings to the Committee. It must be kept informed about the internal audit programme and must be provided with the internal audit reports or a regular summary of these reports. It must also be informed of the outcome of the self-assessment questionnaires and the internal control action plans;
- monitor the work carried out by the Group Internal Audit and Risk teams. It approves the internal audit plan and must be provided with the Group internal audit reports or a regular summary of these reports. It must also give its opinion on the relevance of the work and organisation of the Internal Audit, Risk and Internal Control departments;
- review risks and material off-balance sheet commitments, assess the significance of any malfunctions or weaknesses reported to it, and inform the Board of Directors where appropriate. As such, the review of the financial statements must be accompanied by a presentation prepared by Group Executive Management describing the Company's risk exposure and its material off-balance sheet commitments, as well as a presentation prepared by the Statutory Auditors highlighting both the key findings of their statutory audit, including any audit adjustments and significant internal control failings identified during their engagement, and accounting options applied. The Audit Committee is also responsible for examining and analysing the information on internal control and risk management included in the management report;
- regularly review the mapping of the Group's main risks that may be reflected in the financial statements or which have been identified by Group Executive Management and may have an impact on the financial statements. It takes note of the main characteristics of the risk management systems and the results of their operations, drawing in particular on the work of the internal audit and internal control managers and the Statutory Auditors.

The **Group's Executive Management** sets the reference framework for the Group's internal control system, by consolidating the control environment. The Executive Management's role is to design, coordinate, lead and continuously supervise internal control systems, and it has defined a Group regulatory framework that covers all the principles and standards applicable to all Group entities and employees.

Moreover, Executive Management is responsible for the internal control systems. As such, it is tasked with designing, implementing and overseeing the internal control systems suited to the size of the Group, its activity and its organisation.

It initiates any corrective actions that are needed to rectify an identified malfunction and to maintain a situation within the limits of acceptable risk. It ensures that these actions are successfully implemented.

The Executive Management's duties in relation to the internal control system also include defining the corresponding roles and responsibilities in the Group.

Lastly, the **CSR Committee**, in verifying the application of the Group's CSR commitments, assessing CSR risks, and monitoring the annual non-financial performance report, also contributes to the internal control system.

4.2.2.3.2 Internal control, Functional departments and risks

As part of the management of the internal control system, the Group's Executive Management has set up the following organisation:

Second line of defence	Main role
Group Internal Control department	■ designing and maintaining the internal control and Sapin II frameworks in association with the Group's risk universe; ■ leading and consolidating the annual internal control self-assessment process; ■ analysing incidents, self-assessments and internal audit findings to propose changes to the internal control framework and organisation; ■ monitoring the implementation of the resulting action plans; ■ communicating about and training in internal control and risk management; ■ functional management of the Country internal control teams; ■ monitoring regulatory developments and fraud types, to share with all entities; ■ the strategy for the development of the internal control function.
Group Risk department	■ overseeing the Group risk assessment process with the countries and updating the risk map annually (including emerging risks); ■ making risk owners aware of the results; ■ monitoring the implementation of the action plans.

Functional departments	Main role
Group Finance department	■ ensuring that accounting and financial information is reliable; ■ managing risks that may be reflected in the financial statements and may have an impact on them; ■ measuring Group performance and budget control; ■ following Group investment procedures; ■ managing, updating and circulating all of the Group's financial and accounting standards; ■ establishing policies for the Group's financing, market risk control and banking relations; ■ monitoring compliance with all applicable tax regulations and legislation.
Group Legal department	■ monitoring the Group's main disputes; ■ monitoring compliance with governance rules within the Group's governance bodies and main subsidiaries; ■ monitoring the Group's main legal risks; ■ implementing a Group-wide market abuse prevention programme.
Group Ethics, Compliance and Data Protection department	■ the construction, oversight and updating of compliance programmes (Sapin II, anti-money laundering and combating the financing of terrorism, fraud, protection of personal data), within the Group; ■ ensuring compliance with and the effective implementation of compliance procedures at Group level as defined in the compliance programme; ■ coordinating the network of compliance officers in the subsidiaries; ■ drawing up and monitoring the Group's map of corruption risks; ■ receiving and dealing with whistleblowing alerts.
Group Security department	■ identifying and preventing threats; ■ managing malicious attacks on people, values, physical assets and intangible assets, to contribute to maintaining the Group's business continuity; ■ coordinating the Group's crisis management system; ■ risk management related to security and the operation of establishments open to the public; ■ managing risks related to international business travel; ■ the coordination of fraud investigations.
Group Property department	■ establishing the Group's property policy.
Group Quality department	■ establishing the product quality, health and safety policy within the Group; ■ managing security, quality, compliance and product safety risk; ■ coordinating crisis management relating to product safety risks; ■ ensuring that products conform to Carrefour's commitments.

Functional departments	Main role
Group CSR department	■ implementing policies and action plans and monitoring the Group's objectives with respect to the Non-Financial Statement (see Chapter 2 of this Universal Registration Document), as well as measuring and cross-functionally monitoring the CSR and Food Transition Index, a criteria for executive and Chairman and Chief Executive Officer compensation; ■ implementing a duty of care plan aimed at preventing serious violations of human rights and fundamental freedoms, the health and safety of individuals and the environment; ■ upholding purchasing rules for the social and environmental compliance of purchases of all controlled products. These rules stipulate: • the requirement for all suppliers to sign a Commitment Charter, and the procedures and standards for carrying out social audits, • that all the Group's purchasing entities must appoint a person in charge of social and environmental compliance; ■ helping suppliers to achieve compliance, while raising awareness and providing training among suppliers and sourcing teams; ■ complying with and updating purchasing rules for the food transition, including responsible sourcing criteria to be introduced across all countries and the associated objectives.
Group Human Resources department	■ establishing a human resources management policy within the Group that: • ensures the proper availability level of resources, suitable for current and future business requirements, • monitors employees' career development and commitment, while guaranteeing and complying with principles of diversity, • ensures high-quality social dialogue, • defines the framework for the compensation policy and employee benefits and guides the associated commitments, • helps to create a culture of collective development and performance, • ensures compliance with labour law and all legal or contractual provisions regarding the Company's employees; ■ coordinating social risk management.
Group Data Security department	■ defining the Group strategy on the security of information systems to manage the risks relating to the continuity, integrity, confidentiality and traceability of data, and the risk of cyber-attacks in particular; ■ coordinating the various Group entities and measuring the maturity of their information security system.
Group Insurance department	■ setting up insurance to cover the Group's insurable risks as effectively as possible, based on available capacity on the market and the optimal methods for spreading risk – from transfer to the market to self-insurance – pursuant to Group insurance policies. In this regard, it works with the Group Audit and Risk department.

4.2.2.3.3 Group Internal Audit department

The Group Internal Audit department has a solid-line reporting relationship with the Group Secretary General and reports to the Audit Committee. It performs an independent assessment of the effectiveness of internal control and risk management systems, by identifying weak points and making recommendations for improvements.

The Internal Audit department is tasked with:

- assessing the operation of asset risk management and related internal control systems by performing the tasks included in the annual audit plan; and
- regularly monitoring and making any necessary recommendations to improve these systems.

4.2.3 MONITORING SYSTEM

4.2.3.1 Continuous monitoring

Continuous monitoring is organised so that incidents can be pre-empted or detected as rapidly as possible. Management plays a long-term daily role in the effective implementation of the internal control system. Specifically, it establishes corrective action plans and reports to the Group's Executive Management and Internal Control department on significant malfunctions when necessary.

4.2.3.2 Periodic monitoring

Parties involved in periodic monitoring

The Group risk management and internal control system provides for periodic monitoring by managers, operatives, internal controllers, compliance officers, internal auditors and the Statutory Auditors:

- managers and operatives check that the first-level controls are working effectively, identify the main risk incidents, draw up action plans and ensure that the internal control system is appropriate in view of the Group's objectives;
- the internal controllers periodically check that control activities are being properly implemented and that they are effective against risks, by carrying out second-level controls. Control activities are defined and implemented by process managers, and coordinated by internal controllers who report to members of the entity-level Executive Committee, under the supervision of the local Finance Director. In turn, the coordination of the internal controllers by the Group Internal Control department ensures consistency in control activity methodology, guarantees comprehensive coverage of risks across all processes, and ensures that the relevant entity-level internal control teams are competent and equipped with the resources needed to establish a control environment;
- the Ethics and Compliance function ensures compliance with and effective implementation of the anti-corruption compliance programme and reports information on alerts and fraud to the Operations, Legal, Internal Control and Internal Audit departments;
- the Internal Audit department carries out third-level controls and provides the Entity Executive Management teams, the Audit Committee and the Group's Executive Management with the conclusions and findings of their engagement as well as their recommendations;
- during their audit work, the Statutory Auditors obtain an understanding of the Group's internal control systems as regards accounting and financial reporting procedures. They identify its strengths and weaknesses, evaluate the risk of material misstatement, and make recommendations where appropriate.

Main components of internal control system oversight

Annual internal control self-assessment campaign

The annual internal control self-assessment is a mature process in the Group, and is based on questionnaires completed by all entities within the scope.

The questionnaires are consistent with existing frameworks and based on an internal control risk analysis for each business and on the identification of key control points. This process is coordinated by Group Internal Control, which reviews, consolidates and analyses the results of the questionnaires. A summary is presented to the Audit Committee. Summaries are also presented to the Group's Functional departments so that they are equipped to lead internal control within their departments and with the aim of further developing Group rules.

This system contributes to spreading the internal control culture throughout the Group and also provides support in evaluating the level of internal control and assessing how well operational and functional risks are managed. The subsidiaries are required to establish action plans to rectify any controls assessed as ineffective. The local internal control officers are involved in coordinating and reviewing the consistency of the self-assessment and are responsible for monitoring the action plans.

As part of its mission, and where applicable, the Internal Audit department performs a review of self-assessments carried out by the Group's subsidiaries during the annual internal control self-assessment campaign. Any discrepancies are reported in the findings of the audit engagements and the conclusions are shared with the Group Internal Control department. Monitoring these divergences makes it possible to gauge the quality of the audited subsidiaries' internal-control self-assessment.

After the self-assessment process, the Country Executive Directors report to Group Executive Management on their level of internal control through a letter of representation on the internal control system, confirming that the core controls set out in the Group's rules have been properly performed, that the action plans resulting from the self-assessment have been triggered and implemented within the agreed timeframe, and that significant internal control and fraud incidents have been reported to Executive Management. In addition, the main Country Finance Directors present the summary of the self-assessment to the Group Finance department.

1 2 3 4 5 6 7 8 9

At the annual close, the Country Executive Directors and Country Finance Directors also sign a letter of representation for Group Executive Management on the following:

- compliance with laws and internal procedures, in particular ethics principles;
- confidentiality and security of information systems;
- anti-bribery and corruption measures;
- personal data protection;
- governance and delegations of power;
- social responsibility;
- trueness and fairness of the financial statements in relation to the applicable accounting standards.

In addition to the annual self-assessment process, thematic control tests may be organised to ensure effective internal control on a key topic. These targeted campaigns are developed in conjunction with the relevant Functional department(s). They are presented to the Group's Executive Management.

Monitoring of action plans

Guidance and supervision of the internal control system involve the monitoring, by the country internal controllers, of the action plans relating to the internal control self-assessment and risk mapping processes, and of internal audit, external auditor or any other control body recommendations.

Group internal control presents a summary of action plan monitoring work to the Audit Committee. In addition, each country is required to present progress on its action plans to the Group Finance department.

Monitoring of fraud and internal control incidents

Fraud and other internal control incidents relating to ethics are carefully monitored by the Country Ethics Committees, and depending on their materiality, by the Group Ethics Committee.

The following events must be reported to the Group:

- accounting misstatements and alterations harming the integrity of the financial information, whether favourable or unfavourable to the Company or the Group;
- misappropriation or endangerment of tangible or intangible assets;
- events liable to constitute passive or active corruption or influence peddling;
- breaches of laws and regulations;
- other significant breaches of the ethics principles and compliance programme.

All incidents may be reported using the Group or country ethics hotline. Alerts raised are investigated to establish whether the alleged events are true or not.

They are monitored by the Ethics, Compliance and Personal Data Protection department using a single, centralised procedure applicable to all Group subsidiaries. Employees who raise a potential fraud alert in good faith may not be disciplined, dismissed or subject to any direct or indirect discriminatory measures.

Supervision by Executive Management

The Group's Executive Management supervises the internal control system by reviewing, in particular, the work and the minutes of meetings of the following bodies:

- Group and Country Ethics Committees;
- Group Investment Committee;
- Group Data Security Committee;
- Group Risk Committee;
- CSR and Food Transition Committee; and
- any other ad hoc committee convened according to the needs identified by the Group's Executive Management.

4.2.4 INTERNAL ACCOUNTING AND FINANCIAL CONTROL

4.2.4.1 General organisational principles of accounting and financial control

Internal accounting and financial control aims to ensure:

- the compliance of reported accounting information with the applicable rules (IFRS international accounting standards);
- the application of instructions and strategic objectives established by the Group;
- the prevention and detection of fraud and accounting and financial irregularities;
- the presentation and reliability of published financial information.

Risks related to the production of accounting and financial information can be classified into two categories:

- those related to the accounting of recurring operations in the Group's host countries, whose control systems must be set as close as possible to decentralised operations;
- those related to the accounting of non-recurring operations that may have a material impact on the Group's financial statements.

The internal control system described in the following paragraphs incorporates this risk approach.

Management within each country is responsible for identifying risks that impact the preparation of financial and accounting information as well as taking the necessary steps to adapt the internal control system.

With regard to information that requires special attention given its impact on the consolidated financial statements, the Group Reporting and Consolidation department requests the necessary explanations and may perform such controls itself. It can also assign an external auditor to carry out such controls or submit a request to the Chairman and Chief Executive Officer for the Internal Audit department to intervene.

4.2.4.2 Management of the accounting and finance organisation

Organisation of the finance function

The finance function is mainly based on a two-level organisation:

- the Group Financial Control department defines the IFRS accounting principles applicable to Carrefour and provides leadership and oversight of the production of consolidated financial statements and management reports. This department includes a Reporting and Consolidation department and a Performance Analysis department:
  - the Reporting and Consolidation department monitors standards, defines the Group accounting doctrine ("IFRS accounting principles applicable to Carrefour"), produces and analyses the consolidated financial statements, and prepares the consolidated accounting and financial information, and is the direct link to the Finance departments at country level,
  - the Performance Analysis department analyses both prospective and retrospective management reports. It requests explanations from the country-level Finance departments and alerts the Group's Executive Management to key issues and any potential impacts;
- the country-level Finance departments are responsible for the production and control of the country-level company and consolidated financial statements. They are also responsible for deploying an internal control system within their scope that is adapted to their specific challenges and risks, taking into account the Group's recommendations and directives.

The Group Executive Director – Finance and Management appoints the country-level Finance Directors.

Accounting principles and procedures manuals

Group accounting principles are specified in a regularly updated document that is communicated to all those involved in the process.

The IFRS accounting principles applicable to Carrefour are reviewed twice a year, before the end of each financial year and six-month period. They are defined and monitored by the Accounting Standards department, which forms part of the Group Reporting and Consolidation department, and are presented to the Statutory Auditors. Material changes, additions or deletions are presented to the Audit Committee.

The Group Financial Control Manual must be used by the country-level Finance departments. If necessary, country-level Finance departments can consult the Group Reporting and Consolidation department, which alone can provide interpretations and clarifications.

The country-level Finance Directors meet regularly to discuss new changes to the IFRS accounting principles applicable to Carrefour and any application issues encountered.

Tools and operating methods

The Group continues to standardise the accounting systems used in the various countries, in particular through its finance tool transformation programme. In particular, this has enabled the standardisation and documentation of procedures in the various countries and an adequate separation of duties.

The Group uses a consolidation and reporting tool to detail, make reliable and facilitate the transmission of data, controls and consolidation operations.

Accounting and financial information systems are subject to the same security requirements as all other systems.

Consolidation/reporting process and principal controls

To assist the Group consolidation process, each country is responsible for reporting its own financial data by legal entity and for consolidating the financial statements at its own level.

The Group Reporting and Consolidation team leads this process and is responsible for producing the Group's consolidated financial statements. Consolidation takes place monthly. The Statutory Auditors audit the annual consolidated financial statements and perform a review of the half-yearly consolidated financial statements. The half-yearly and annual consolidated financial statements are also published. The Group uses identical tools, data and regional breakdowns for its management reports and consolidated financial statements.

Subsidiaries prepare their own statutory financial statements as well as the consolidated financial statements converted into euros for their region. The Finance department in each country makes use of controls in place in the consolidation tool. The Reporting and Consolidation department checks for consistency and performs a reconciliation and analysis at the end of each month.

The main options and accounting estimates are subject to review by the Group Reporting and Consolidation department and the country-level Finance Directors, including during meetings for financial statement reporting options, organised before the financial statements are reported at Group and country level in cooperation with external auditors.

A hard-close procedure was introduced by the Reporting and Consolidation department in late May and late November to anticipate, as far in advance as possible, any potentially sensitive subjects relating to the six-month and annual reporting period, which is subject to a review by the Statutory Auditors.

Also, a review is carried out in late November by the Statutory Auditors to assess the quality of the Group's internal control system and of the processes associated with measuring income and expenses that, due to their nature and amount, have a material impact on Group performance, so that any weaknesses can be rectified before the financial year-end.

In order to provide an opinion to the Board of Directors on the draft financial statements, the Audit Committee reviews the annual and half-yearly financial statements and the findings of the Statutory Auditors' team concerning their work.

Accordingly, the Audit Committee meets regularly and as often as necessary in order to monitor the process of preparing the accounting and financial information and ensure that the principal accounting options applied are pertinent.

Oversight of the internal control system for accounting and financial reporting procedures

Oversight of the internal control system is mainly based on:

- a self-assessment campaign for the application and oversight of the main rules defined by the Group concerning internal accounting and financial control as well as additional control tests. In this respect, action plans are defined at country level where necessary and are subject to monitoring;
- in-country actions by the Group Internal Audit department. The internal audit plan incorporates tasks to review internal accounting and financial control.

Oversight also involves assessing the information provided by the Statutory Auditors as part of their in-country operations. The role of the Statutory Auditors includes, but is not limited to, expressing an opinion as to whether the Company and consolidated financial statements give a true and fair view of the Group, and performing a review of the half-yearly consolidated financial statements.

At each annual close, Group Internal Control receives letters of representation signed by the Country Executive Director and country-level Finance Director, certifying that the financial information reported to the Group is reliable, fair and prepared in accordance with the IFRS accounting principles applied by Carrefour.

4.2.4.3 Control over financial communications

Role and purpose of financial communications

The objective of financial communications is to provide the entire financial community with clear information about the Group's strategy, business model and performance, by publishing accurate, true and fair information while upholding the principle of shareholder equality with regard to information.

Organisation of financial communications

Financial communications address a diverse audience, primarily comprising financial analysts, institutional investors, individual shareholders and employees. They are disseminated as required by law (Shareholders' Meeting) or the AMF's regulations (periodic publications, press releases). The Group also uses other channels for its financial communications, including conference calls, investor presentations on results or events (investors day), meetings, conferences and roadshows for financial analysts and investors, the Universal Registration Document and annual report, and the corporate website.

In organisational terms:

- the Chairman and Chief Executive Officer and the Group Executive Director – Finance and Management, as well as the Financial Communications and Investor Relations departments, are, except in certain cases, the sole contacts for analysts, institutional investors and shareholders;
- the Group Human Resources department, with support from the Group Communications department, manages information intended for employees;
- the Group Communications department manages press relations.

Procedures for controlling financial communications

The Group Financial Control department is the exclusive source of financial information.

Internal controls regarding the financial communications process focus on compliance with the principle of shareholder equality, among other issues. All press releases and significant announcements are prepared by mutual agreement between the Financial Communications department, which is part of the Group Finance department, and the Group Communications department.

Where appropriate, these departments are assisted (in particular, as part of the market abuse prevention programme) by the Group Legal department and the Legal department of Atacadão, the listed Brazilian subsidiary controlled by the Group.

Financial communications policy

The Group Finance department defines and implements the policy on disclosing financial results to the markets. The Carrefour group discloses its sales on a quarterly basis and its results on a half-yearly basis. The Board of Director is informed of all periodic publications and press releases on financial and strategic operations, and makes comments as appropriate.

The Group Financial Communications department is also involved in coordinating the financial communications of the Group and Atacadão.

4.3 Legal and arbitration proceedings

4.3.1 PROCEEDINGS IN CONNECTION WITH THE GROUP'S RECURRING OPERATIONS

In the normal course of its operations, the Carrefour group is involved in various arbitration, legal and administrative proceedings.

A provision is recorded when, at the period-end, the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. A description of provisions for claims and litigation can be found in Chapter 6 (Note 11.2 to the 2023 consolidated financial statements) of this Universal Registration Document.

At the date of this Universal Registration Document, the Company is not aware of any administrative, legal or arbitration proceedings (including any pending or threatened proceedings of which the Carrefour group is aware) that may have or have had, during the last 12 months, significant effects on the financial position or profitability of the Company and/or the Group.

4.3.2 OTHER PROCEEDINGS

4.3.2.1 In France

Several French subsidiaries of Carrefour SA, along with some 100 companies and roughly 15 professional associations (including the French Trade and Retail Federation – *Fédération du Commerce et de la Distribution*) received a statement of objections from the French competition authority (*Autorité de la concurrence*) on October 5, 2021 as part of a simplified procedure accusing them of having coordinated between February 2012 and September 2015 to implement a collective strategy aimed at:

- refraining from any reporting on the absence of Bisphenol A (BPA) in metal containers in order to prevent any single company from gaining a competitive advantage; and
- agreeing to set the same dates for the marketing of BPA-free containers and the discontinuation of marketing of containers with BPA.

On December 29, 2023, the French Trade and Retail Federation, Carrefour SA and its subsidiaries were acquitted.

4.3.2.2 In Argentina

On October 1, 2019, INC SA (the Group's subsidiary in Argentina) and its former Chairman were referred back to a trial court specialised in economic offences for complicity in unauthorised financial intermediation, with regard to transactions carried out with financial cooperatives between July 2012 and December 2014, in a context of hyperinflation and in light of the banking system's inability to collect the liquid assets generated by INC SA's business activities.

On October 28, 2020, the Argentine government authority in charge of supervising and sanctioning money laundering (*Unidad de Información Financiera*) was included in the proceedings.

INC SA and its former Chairman were acquitted in a judgement from the Court of Appeal dated September 1, 2023.

4.3.2.3 In Brazil

On June 27, 2020 and May 25, 2021, the municipality of São Paolo initiated two civil liability proceedings against Atacadão SA in connection with the renewal of the operating licences for its head office and two stores.

The civil proceedings were initiated following the initiation of the criminal proceedings to which Atacadão SA is not party.

In a decision dated March 14, 2023 (made final on April 12, 2023), Atacadão SA was acquitted in the proceedings brought against it on June 27, 2020.

4.3.2.4 Financial services

The adoption by several countries of multiple and sometimes divergent or contradictory legal or regulatory requirements governing the provision of financial products, with a view to protecting consumers in particular, may expose the Group's relevant entities to a risk of non-compliance (see Section 4.1.2.3 "Appropriateness of the retail model" in this Universal Registration Document) and, where applicable, to individual or collective actions.

This is notably the case in Spain and Argentina, where consumer associations – or a significant number of customers, as the case may be – have questioned the interest rates and/or contracts for revolving credit, consumer credit and deferred payment.

5

BUSINESS REVIEW AS OF DECEMBER 31, 2023

5.1 Business review and consolidated income analysis

5.1.1 MAIN INCOME STATEMENT INDICATORS

The consolidated statement of financial position at December 31, 2022 has been restated in accordance with IFRS 3 – *Business Combinations* to reflect the changes affecting the opening balance sheet of Grupo BIG in Brazil (see Notes 5.4.2.1.1 and 5.4.3).

Argentina is classified as a hyperinflationary economy within the meaning of IFRS. IAS 29 – *Financial Reporting in Hyperinflationary Economies* is therefore applicable to the consolidated financial statements for the year ended December 31, 2023. Comparative data for 2022 have also been adjusted for inflation.

(in millions of euros)	2023	2022	% change
Net sales	**83,270**	**81,385**	**2.3%**
Gross margin from recurring operations	**16,630**	**16,313**	**1.9%**
in % of net sales	*20.0%*	*20.0%*	
Sales, general and administrative expenses, depreciation and amortisation	(14,367)	(13,936)	3.1%
Recurring operating income	**2,264**	**2,377**	**-4.7%**
Recurring operating income before depreciation and amortisation	*4,559*	*4,613*	*-1.2%*
Recurring operating income after net income from equity-accounted companies	**2,308**	**2,427**	**-4.9%**
Non-recurring income and expenses, net	(558)	36	-1654.8%
Operating income	**1,749**	**2,463**	**-29.0%**
Finance costs and other financial income and expenses, net	(410)	(490)	-16.3%
Income tax expense	(439)	(408)	7.6%
Net income/(loss) from continuing operations - Group share	**930**	**1,368**	**-32.0%**
Net income/(loss) from discontinued operations - Group share	729	(21)	3614.4%
NET INCOME/(LOSS) - GROUP SHARE	**1,659**	**1,348**	**23.1%**
FREE CASH-FLOW(1)	**3,138**	**2,756**	
NET FREE CASH-FLOW(2)	**1,622**	**1,262**	
NET DEBT (INCLUDING DISCONTINUED ACTIVITIES)(3)	**2,560**	**3,378**	

(1) Free cash flow corresponds to cash flow from operating activities before net finance costs and net interest related to lease commitments, after the change in working capital, less net cash from/(used in) investing activities.

(2) Net free cash flow corresponds to free cash flow after net finance costs and net lease payments.

(3) Net debt does not include liabilities and assets related to leases (see Note 2.2). Closing net debt for 2022 was restated for the reduction in Grupo BIG's acquisition price, in accordance with IFRS 3.

Net sales totalled 83.3 billion euros in 2023, an increase of 2.3% compared with 2022.

Recurring operating income before depreciation and amortisation came in at 4,559 million euros, a 1.2% decline on 2022.

Recurring operating income was 2,264 million euros, a 4.7% decline on 2022.

Non-recurring operating income and expenses represented a net expense of 558 million euros, versus net income of 36 million euros in 2022. The 2023 figure primarily relates to severance paid or payable within the scope of the collective contractual termination agreement (*Rupture Conventionnelle Collective*) put in place at headquarters in France, and the measures implemented in stores and headquarters in Brazil, Spain and Italy. It also includes impairment recognised against unprofitable former Grupo BIG stores in Brazil that were closed in 2023 or are in the process of being closed (see Note 5.4.2.1.4), as well as the costs associated with these closures. These expenses were partially offset by reversals of provisions for (i) PIS-COFINS tax credits following the expiry of statutory limitation periods or favourable judgements and (ii) ICMS sales tax credits following their sale. Expenses were also partially offset by capital gains realised on various asset disposals.

Finance costs and other financial income and expenses represented a net expense of 410 million euros, an improvement of 80 million euros compared with 2022, primarily reflecting lower net finance costs and an increase in other financial income, partially offset by the increase in net interest expense on leases.

The income tax expense for 2023 amounts to 439 million euros (compared with 408 million euros for 2022). The tax expense was increased by the fact that no deferred tax assets were recognised by Grupo BIG in Brazil as a result of its operating losses.

Net income from continuing operations – Group share, totalled 930 million euros, a 438 million euro decrease compared to 2022.

Discontinued operations represented net income – Group share of 729 million euros in 2023, versus a net loss of 21 million euros in 2022. It includes the gain on the disposal of Carrefour Taiwan amounting to 0.75 billion euros (see Note 5.4.2.1.3).

The Group ended 2023 with net income – Group share of 1,659 million euros, versus net income of 1,348 million euros in 2022.

Free cash flow came to 3,138 million euros, versus 2,756 million euros in 2022. Net free cash flow came to 1,622 million euros, versus 1,262 million euros in 2022.

5.1.2 ANALYSIS OF THE MAIN INCOME STATEMENT ITEMS

The Group's operating segments consist of the countries in which it does business, combined by region, and "Global functions", corresponding to the holding companies and other administrative, finance and marketing support entities.

NET SALES BY REGION

(in millions of euros)	2023	2022	% change
France	38,220	37,706	1.4%
Europe (excluding France)	23,650	22,643	4.4%
Latin America	21,399	21,036	1.7%
TOTAL	**83,270**	**81,385**	**2.3%**

The Carrefour group generated net sales of 83.3 billion euros, an increase of 2.3% versus 2022.

- In France, net sales rose by 1.4% in 2023. Like-for-like growth [1] was 4.7%, including a 6.0% LFL improvement in food and a 4.9% LFL decline in non-food. After more than two years of market share gains, Carrefour saw a slowdown in its market share momentum in value terms over the year, while market share in volume terms remained broadly stable between 2022 and 2023 (source: Kantar).
- In Europe (excluding France), net sales increased by 4.4% in 2023, up 5.5% like-for-like. Spain posted 5.8% like-for-like growth in net sales over the year, with strong growth in all its formats. Italy continued to enjoy good sales momentum in 2023, with like-for-like growth of 3.1% driven by improved customer satisfaction, particularly in terms of price competitiveness. After a difficult 2022 in Belgium, net sales in the country were up 9.0% like for like in 2023, lifted by its revitalization strategy in an environment that remained fiercely competitive. In Romania, the Group maintained its positive momentum, posting like-for-like growth of 7.0%, spurred by the success of its commercial campaigns. In Poland, net sales edged down 0.6% like for like, amid strong pressure on consumer purchasing power and a high comparison basis owing to the war in Ukraine.
- In Latin America, net sales increased by 1.7% year on year. In Brazil, net sales retreated 1.3% like for like in 2023. Amid difficult market conditions shaped by food deflation in the second half of the year, the Group proved resilient, thanks in particular to its cash & carry format (down 1.1% like for like), which is benefiting from its price leadership on the Brazilian market, while Sam's Club, whose subscription model is proving a success, recorded like-for-like net sales growth of 5.0%. The Retail segment, with a more premium positioning, was understandably more affected by the challenging market conditions, reporting a 2.8% decline in like-for-like net sales over the year. Argentina saw further vigorous growth, with net sales soaring 151.9% like for like (excluding the IAS 29 impact). This increase reflects a further rise in volumes and significant market share gains in a hyperinflationary environment (annual inflation of 211% in 2023).

(1) Like-for-like (LFL) sales generated by stores open for at least 12 months, excluding temporary store closures, at constant exchange rates, excluding petrol and calendar effects and excluding the IAS 29 impact.

NET SALES BY REGION – CONTRIBUTION TO THE CONSOLIDATED TOTAL

(in %)	2023	2022
France	45.9%	46.3%
Europe (excluding France)	28.4%	27.8%
Latin America	25.7%	25.8%
TOTAL	**100%**	**100%**

At current exchange rates, the portion of consolidated net sales generated outside France continued to rise, representing 54.1%, compared with 53.7% in 2022.

RECURRING OPERATING INCOME BY REGION

(in millions of euros)	2023	2022	% change
France	988	834	18.5%
Europe (excluding France)	604	606	-0.4%
Latin America	763	1,005	-24.1%
Global functions	(91)	(69)	-32.6%
TOTAL	**2,264**	**2,377**	**-4.7%**

Recurring operating income represented 2,264 million euros in 2023, a decrease of 113 million euros, or 4.7%.

In France, recurring operating income was 988 million euros in 2023, up 18.5% on 2022. In a context of high inflation, operating margin increased by 37 bps to 2.6% (versus 2.2% in 2022), led by a good sales performance and strong cost-cutting dynamic. 2023 marks the fifth consecutive year that operating margin has improved in France. This performance notably reflects the benefits of initiatives under the Carrefour 2026 plan, including the increase in sales of own-brand products, the transformation of ownership strategies and the improved profitability of digital activities.

In Europe (excluding France), recurring operating income remained stable, at 604 million euros in 2023, versus 606 million euros in 2022. Spain performed well, with recurring operating income up 14% despite an unfavourable environment for the financial services business. Poland, on the other hand, reported a significant decline in profitability, on a high 2022 base marked by the impact of the war in Ukraine. Recurring operating income for Italy, Belgium and Romania was close to 2022 figures.

In Latin America, recurring operating income fell by 24.1% to 763 million euros in 2023.

In Brazil, recurring operating income came in at 668 million euros, down 26.9% or 246 million euros. This decline was mainly due to the costs of converting and integrating the former Grupo BIG stores and to the losses incurred in the months immediately after the stores reopened. The decline also reflects a lower contribution from the Retail segment amid food deflation in the country and from the financial services given high interest rates and a higher cost of risk.

The stores that have converted to the Atacadão format continued their fast-paced ramp-up. Furthermore, as announced in November 2023, Carrefour Brazil has begun to rapidly restructure structurally loss-making stores of Retail segment. In all, 104 stores have been closed or sold at the end of January 2024, predominantly in the supermarket and soft discount formats (Bompreço, Nacional and Todo Dia banners). Restructuring of the remaining 19 stores will be completed by the end of the second quarter of 2024 (see Note 5.4.2.1.4). In addition, the Group has undertaken to convert 40 hypermarkets to the Atacadão and Sam's Club formats, 20 of which are slated for conversion in 2024. At the same time, Carrefour Brazil is making rapid progress in implementing cost synergies, securing synergies of 1.6 billion Brazilian reals on an annualised basis. These cost synergies were offset by the adverse performance of converted stores currently in the ramp-up phase after having recently reopened under their new banners.

In Argentina, recurring operating income and operating margin improved on the back of excellent sales momentum and continued cost discipline. Recurring operating income came to 96 million euros, versus 92 million euros in 2022, while the recurring operating margin widened 138 bps to 4.5%.

Depreciation and amortisation

Depreciation and amortisation of property and equipment, intangible assets and investment property amounted to 1,304 million euros in 2023 compared with 1,284 million euros in 2022.

Depreciation of right-of-use assets (IFRS 16) relating to property and equipment and investment property totalled 728 million euros in 2023 compared with 694 million euros in 2022.

Including depreciation of logistics equipment and of the related IFRS 16 right-of-use assets included in the cost of sales, a total depreciation and amortisation expense of 2,295 million euros was recognised in the consolidated income statement for 2023, compared with an expense of 2,236 million euros for 2022.

Net income from equity-accounted companies

Net income from equity-accounted companies totalled 44 million euros in 2023, versus 50 million euros in 2022, reflecting a slightly lower contribution from Carmila.

Non-recurring income and expenses

This classification is applied to certain material items of income and expense that are unusual in terms of their nature and frequency, such as impairment charges of non-current assets, gains and losses on disposals of non-current assets, restructuring costs and provision charges and income recorded to reflect revised estimates of risks provided for in prior periods, based on information that came to the Group's attention during the reporting year.

Non-recurring items represented a net expense of 558 million euros in 2023, and the detailed breakdown is as follows:

(in millions of euros)	**2023**	**2022**
Gains and losses on disposals of assets	66	212
Restructuring costs	(352)	(13)
Other non-recurring income and expenses	25	(16)
Non-recurring income and expenses, net before asset impairments and write-offs	**(261)**	**183**
Asset impairments and write-offs	(297)	(147)
of which Impairments and write-offs of goodwill	*(1)*	*(1)*
of which Impairments and write-offs of property and equipment, intangible assets and others	*(295)*	*(146)*
NON-RECURRING INCOME AND EXPENSES, NET	**(558)**	**36**
of which:		
Non-recurring income	*476*	*440*
Non-recurring expense	*(1,034)*	*(404)*

Gains and losses on disposals of assets

Gains and losses on disposals of non-current assets result from gains and losses on the sale and leaseback of five stores and four warehouses in Brazil and six hypermarkets in Spain (see Note 5.4.2.1.5) and on the disposal of Carrefour Brazil's headquarters building. They also include capital gains on the disposal of various assets (store premises, land and businesses), mainly to franchisees in France. Net disposal gains were partially offset by the capital loss incurred on the disposal of Quitoque in France (see Note 5.4.2.1.3).

Restructuring costs

Restructuring costs recognised in 2023 relate to the new Carrefour 2026 strategic plan (see Note 5.4.2.2). This plan is based on a project to transform the Group's various headquarters with a view to safeguarding its competitiveness over the long term, boosting performance and agility, and simplifying its organisation, all of which will benefit its stores. The expense included in non-recurring items relates primarily to severance paid or payable within the scope of the *Rupture Conventionnelle Collective* put in place at headquarters in France, involving a maximum of 979 jobs, and, secondarily, to the measures implemented in stores and headquarters in Italy, Spain and Brazil.

Other non-recurring income and expenses

Other non-recurring income and expenses recorded in 2023 primarily comprise reversals of provisions in Brazil i) for tax risks relating to PIS-COFINS tax credits following the expiry of statutory limitation periods or favourable judgements, and ii) for ICMS tax credits following their sale. These reversals were almost entirely offset by costs related to store closures under way in Brazil (see Note 5.4.2.1.4).

Asset impairments and write-offs

Asset impairments (other than goodwill) and write-offs in 2023 include impairment recognised against non-current assets, reflecting the difficulties experienced by certain stores, as well as the retirement of various assets relating to stores in France, Spain and Belgium, and to IT in France and Belgium.

Impairment was also recognised against unprofitable former Grupo BIG stores in Brazil which were closed in 2023 (mainly stores under the Maxxi banner) or in the process of being closed at December 31, 2023 (stores under the Todo Dia, Bompreço and Nacional banners and some stores that had been converted to the Carrefour banner) for a total of approximately 120 million euros (see Note 5.4.2.1.4). The caption also includes the partial write-down of banners recognised in Grupo BIG's opening balance sheet for approximately 38 million euros (see Note 5.2.1.1.3 to the consolidated financial statements).

Lastly, it includes write-downs to bring the net carrying amount of Showroomprivé shares in line with the stock market price at December 31, 2023.

Main non-recurring items in 2022

Gains and losses on disposals of non-current assets comprised gains and losses arising on the sale of various assets (store premises and businesses) to franchisees, notably in France and Italy. It also included the gain on the disposal of the nine hypermarkets and five supermarkets in Spain through sale and leaseback transactions. Gains on the disposal of the equity-accounted investments in Mestdagh in Belgium and Ploiesti Shopping City in Romania were also included in this caption.

Other non-recurring income and expenses recorded in 2022 mainly included revised estimates of historical risks, mostly tax-related, as well as the costs related to the acquisition of Grupo BIG in Brazil.

Asset impairments (other than goodwill) and write-offs in 2022 included impairment recognised against non-current assets, reflecting the difficulties experienced by certain stores, particularly in France and Italy, as well as the retirement of various assets, in particular relating to IT in France. Asset impairments also included write-downs to bring the net carrying amount of Showroomprivé shares into line with the stock market share price at December 31, 2022.

Operating income

Operating income amounted to 1,749 million euros in 2023, versus 2,463 million euros in 2022.

Finance costs and other financial income and expenses

Finance costs and other financial income and expenses represented a net expense of 410 million euros in 2023, corresponding to a negative 0.5% of sales versus a negative 0.6% in 2022.

(in millions of euros)	2023	2022
Finance costs, net	(258)	(336)
Net interests related to lease commitments	(208)	(167)
Other financial income and expenses, net	56	13
TOTAL	**(410)**	**(490)**

Finance costs, net improved by 79 million euros compared with 2022, to 258 million euros. This improvement chiefly reflects the sharp rise in short-term investment income in Argentina, mainly linked to the purchase of dollar- and inflation-linked bonds.

From 2019, in accordance with IFRS 16, finance costs and other financial income and expenses also include interest expenses on leases along with interest income on finance subleasing arrangements. The increase in this item mainly results from the effect of changes in the scope of consolidation following the integration of Grupo BIG at June 1, 2022 (12 months in 2023 compared with seven months in 2022), as well as growth in the number of leased stores.

Other financial income and expenses consist for the most part of interest expense on defined benefit obligations, taxes on financial transactions, late interest payable on certain liabilities and the effects of hyperinflation in Argentina. In 2023, other financial income and expenses also included interest income relating to the reduction in the purchase price for Grupo BIG in Brazil (see Note 5.4.2.1.1).

Income tax expense

The income tax expense for 2023 amounted to 439 million euros, i.e., an effective tax rate of 32.8%, compared with the 408 million euro expense recorded in 2022, which corresponded to an effective tax rate of 20.7%.

This 12-point increase in the effective tax rate reflects (i) the increase in unrecognised deferred tax assets at Grupo BIG in Brazil in 2023 and (ii) the fact that the effective tax rate in 2022 had been very favourably impacted by the recognition of a tax credit relating to prior fiscal years in Brazil and by reversals of tax provisions following expiry of the statute of limitations.

In both years, the effective tax rate was improved by the recognition of tax credits relating to prior years in France. Apart from these factors, the 2023 effective tax rate reflects the geographical breakdown of income before tax, with no other items significantly distorting the tax proof.

Net income/(loss) attributable to non-controlling interests

The net loss attributable to non-controlling interests came to 17 million euros in 2023, versus net income of 218 million euros in 2022. This decrease mainly reflects the significant reduction in net income in Brazil in 2023.

Net income from continuing operations – Group share

As a result of the items described above, the Group share of net income from continuing operations amounted to 930 million euros in 2023, a decrease of 438 million euros compared to the 2022 figure.

Net income/(loss) from discontinued operations – Group share

Discontinued operations represented net income – Group share of 729 million euros in 2023, versus a net loss of 21 million euros in 2022. This increase reflects the 0.75 billion euro disposal gain recorded on the sale of the Carrefour Taiwan subsidiary on June 30, 2023 (see Note 5.4.2.1.3).

5.2 Group financial position and cash flows

5.2.1 SHAREHOLDERS' EQUITY

At December 31, 2023, shareholders' equity stood at 13,387 million euros, compared with 13,186 million euros at December 31, 2022, representing an increase of 201 million euros.

The increase mainly reflects:

- net income for the year of 1,642 million euros;
- the purchase of own shares for 802 million euros, including costs, in 2023, carried out in four tranches of 200 million euros each;
- 2022 dividends paid in an amount of 475 million euros, of which 405 million euros to Carrefour SA shareholders and 70 million euros to non-controlling shareholders, relating to the Spanish and Brazilian subsidiaries;
- the launch of the Carrefour Invest employee share ownership plan on March 1, 2023, which resulted in a capital increase of 75 million euros by Carrefour SA;
- the sale of Carrefour Taiwan on June 30, 2023, resulting in (i) the unwinding of the EUR/TWD currency swap (negative impact of 46 million euros net of tax), (ii) the reversal of positive translation adjustments (negative impact of 52 million euros) and (iii) the derecognition of non-controlling interests (negative impact of 185 million euros);
- positive translation adjustments of 63 million euros resulting from the slight appreciation of the Brazilian real and the Polish zloty versus end-2022, partially offset by the major decrease in the value of the Argentine peso.

5.2.2 NET DEBT

Consolidated net debt (including discontinued operations) amounted to 2,560 million euros at December 31, 2023 compared to 3,378 million euros at December 31, 2022, as restated for IFRS 3. This amount breaks down as follows:

(in millions of euros)	December 31, 2023	December 31, 2022 IFRS 3 restated
Bonds and notes	8,077	7,697
Other borrowings	1,226	1,223
Commercial paper	122	490
Total borrowings excluding derivative instruments recorded in liabilities	**9,425**	**9,410**
Derivative instruments recorded in liabilities	63	148
TOTAL BORROWINGS	**9,487**	**9,558**
of which borrowings due in more than one year	*7,264*	*6,912*
of which borrowings due in less than one year	*2,224*	*2,646*
Other current financial assets(1)	638	728
Cash and cash equivalents	6,290	5,216
TOTAL CURRENT FINANCIAL ASSETS	**6,928**	**5,944**
NET DEBT	**2,560**	**3,614**
Net debt of discontinued operations	–	(236)
NET DEBT INCLUDING DISCONTINUED OPERATIONS	**2,560**	**3,378**

(1) The current portion of amounts receivable from finance subleasing arrangements is not included in this caption (see Note 14.2.5 to the consolidated financial statements).

Long- and short-term borrowings (excluding derivatives) mature at different dates, through 2031 for the longest tranche of bond debt, as shown below:

(in millions of euros)	December 31, 2023	December 31, 2022
Due within 1 year	2,161	2,498
Due in 1 to 2 years	1,179	1,514
Due in 2 to 5 years	4,087	3,799
Due beyond 5 years	1,998	1,599
TOTAL BORROWINGS (EXCLUDING DERIVATIVE INSTRUMENTS RECORDED IN LIABILITIES)	**9,425**	**9,410**

Cash and cash equivalents totalled 6,290 million euros at December 31, 2023 compared with 5,216 million euros at December 31, 2022, representing 1,074 million euros.

5.2.3 STATEMENT OF CASH FLOWS

Net debt (including discontinued operations) decreased by 818 million euros in 2023, after increasing by 745 million euros in 2022 as restated for IFRS 3. The change is analysed in the Group's simplified statement of cash flows presented below:

(in millions of euros)	2023	2022 IFRS 3 restated	Variation
OPENING NET DEBT[1]	**(3,378)**	**(2,633)**	**(745)**
Cash flow from operations	4,032	3,968	64
Change in working capital requirement	775	108	667
Change in consumer credit granted by the financial services companies	(104)	135	(239)
Impact of discontinued operations	(54)	8	(62)
Net cash (used in)/from operating activities - total	**4,650**	**4,219**	**430**
Acquisitions of property and equipment and intangible assets[2]	(1,850)	(1,861)	11
Proceeds from the disposal of property and equipment and intangible assets - Business-related	473	379	94
Change in amounts receivable from disposals of non-current assets and due to suppliers of non-current assets	(124)	55	(179)
Impact of discontinued operations	(11)	(36)	25
Free cash flow	**3,138**	**2,756**	**382**
Payments related to leases (principal and interest) net of subleases payments received	(1,161)	(1,047)	(114)
Finance costs, net[3]	(310)	(336)	26
Impact of discontinued operations	(45)	(111)	66
Net free cash flow	**1,622**	**1,262**	**360**
Acquisitions of investments	(27)	(980)	953
Disposal of investments	1,078	100	977
Change in treasury stock and other equity instruments	(118)	(96)	(23)
Decrease in capital of Carrefour SA	(609)	(657)	48
Proceeds from share issues to non-controlling interests	47	3	44
Dividends paid	(481)	(481)	–
Other (including effect of changes in exchange rates)	(479)	132	(611)
Impact of discontinued operations	(216)	(30)	(186)
Decrease/(Increase) in net debt	**818**	**(745)**	**1,563**
CLOSING NET DEBT[1]	**(2,560)**	**(3,378)**	**818**

(1) Closing net debt for 2022 and opening net debt for 2023 have been restated for the reduction in Grupo BIG's acquisition price, in accordance with IFRS 3.
(2) In 2022, capital expenditure included the acquisition of the two last Makro Atacadista stores on a full ownership basis for 21 million euros, bringing the total to 29 acquired stores at December 31, 2022.
(3) This item was restated in an amount of 52 million euros for financial income on dollar- and inflation-linked investments made by Carrefour Argentina during 2023.

In 2023, net free cash flow came to 1,622 million euros, (compared with 1,262 million euros in 2022). The 360 million euro increase reflects the following main factors:

- a 64 million euro improvement in cash flow from operations, reflecting a 106 million euro reduction in tax paid, due in particular to the use of tax credits recognised in 2022 by the Brazilian subsidiary Atacadão, partly offset by a 54 million euro fall in recurring operating income before depreciation and amortisation;
- a 429 million euro improvement in the change in working capital requirement (including consumer credit granted by the financial services companies), reflecting better control of inventories and payables in a hyperinflationary environment, which led to a reduction of three days in the value of inventories relative to cost of sales;
- a 74 million euro increase in acquisitions of property, plant and equipment and intangible assets, net of disposals, reflecting the costs of converting Grupo BIG stores, partly offset by an increase in asset disposals compared to 2022 (in particular the sale and leaseback transaction in Brazil);
- a 114 million euro increase in net payments related to leases, reflecting (i) a scope effect due to the integration of Grupo BIG in Brazil from June 1, 2022, (ii) the increase in the number of leased stores following the various sale and leaseback transactions in Brazil and Spain, and (iii) the increase in rents following price indexation.

5.2.4 FINANCING AND LIQUIDITY RESOURCES

The Group's main measures for strengthening its overall liquidity consist of:

- promoting prudent financing strategies in order to ensure that the Group's credit rating allows it to raise funds on the bond and commercial paper markets;
- maintaining a presence in the debt market through regular debt issuance programmes, mainly in euros, in order to create a balanced maturity profile. The Group's issuance capacity under its Euro Medium-Term Notes (EMTN) programme totals 12 billion euros;
- using the 5 billion euro commercial paper programme on Euronext Paris, described in a prospectus filed with the Banque de France;
- maintaining undrawn medium-term bank facilities that can be drawn down at any time according to the Group's needs. At December 31, 2023, the Group had two undrawn syndicated lines of credit obtained from a pool of leading banks, for a total of 3.9 billion euros. In June 2019, Carrefour amended these two credit facilities, incorporating an innovative Corporate Social Responsibility (CSR) component in the first CSR-linked credit transaction in the European Retail sector. In May 2021, Carrefour exercised the option to extend its two credit facilities from June 2025 to June 2026. The option was applied to more than 99% of the Group's banking facilities. Group policy consists of keeping these facilities on stand-by to support the commercial paper programme. The loan agreements for the syndicated lines of credit include the usual commitment clauses, including *pari passu*, negative pledge, change of control and cross-default clauses and a clause restricting substantial sales of assets. The pricing grid may be adjusted up or down to reflect changes in the long-term credit rating.

The main transactions in 2023 included two Sustainability-Linked Bond issues indexed to the Group's two greenhouse gas emissions goals, for a total amount of 1.25 billion euros, the redemption of two bond issues for a total amount of 0.96 billion euros, and several financing transactions by the Brazilian subsidiary Atacadão. These transactions are described in Note 5.4.2.3.

The Group considers that its liquidity position is robust. It has sufficient cash reserves to meet its debt repayment obligations in the coming year.

The Group's debt profile is balanced, with no peak in refinancing needs across the remaining life of bond debt, which averaged 3.8 years as of December 31, 2023, compared with 3.6 years as of December 31, 2022.

5.2.5 RESTRICTIONS ON THE USE OF CAPITAL RESOURCES

There are no material restriction on the Group's ability to recover or use the assets and settle the liabilities of foreign operations, except for those resulting from local regulations in its host countries. The local supervisory authorities may require banking subsidiaries to comply with certain capital, liquidity and other ratios and to limit their exposure to other Group parties.

At December 31, 2023, there was no restricted cash.

5.2.6 EXPECTED SOURCES OF FUNDING

To meet its commitments, Carrefour can use its free cash flow and raise debt capital using its EMTN and commercial paper programmes, as well as its credit lines.

5.3 Outlook

The Group's objectives for 2026, as well as the situations at end-2023 and end-2022, are detailed below:

Operational objectives	End of 2022	End of 2023	2026 objective
Carrefour-brand products	33% of food sales	36% of food sales	40% of food sales
Convenience store openings	-	+653	+2,400 vs. 2022
Atacadão store openings	-	+92	>+200 vs. 2022
Reduction in energy consumption	-14%[1]	-21%[1]	-27.5% in 2026 vs. 2019 (at Group level)
	-10%	-22%	-20% in 2024 vs. 2019 (France)

ESG objectives	End of 2022	End of 2023	2026 objective
Sales of certified sustainable products	€5.1bn[2]	€5.3bn[2]	€8bn
Top 100 suppliers to adopt a 1.5°C trajectory	27%	44%	100%
Employees with disabilities	11,281	13,358	15,000

Financial objectives	End of 2022	End of 2023	2026 objective
E-commerce GMV	€4.2bn	€5.3bn	€10bn
Cost savings	€1,010m	€1,060m	€4bn (cumul. 2023-2026)
Net free cash flow[3]	€1,262m	€1,622m	>€1.7bn
Capital expenditure	€1,861m	€1,850m	€2.0bn/year
Cash dividend growth	€0.56 (+8%)	€0.87 (+55%)	>+5%/year

(1) These figures exclude Brazil. The 2019 baseline is currently being recalculated for the recently acquired Grupo BIG scope, so as to include Brazil in this indicator in 2024. In 2023, energy consumption per sq.m. of sales area was 459.5 kWh for the Group (including Brazil).

(2) Sales of national brand products with "sustainable fishing" and "sustainable forest" labels are not currently taken into account and will be added to the calculations in 2024.

(3) Net free cash flow corresponds to free cash flow after net finance costs and net lease payments. It includes cash-out for exceptional expenses.

5.4 Other information

5.4.1 ACCOUNTING PRINCIPLES

The accounting policies used to prepare the consolidated financial statements for the year ended December 31, 2023 are the same as those used for the 2022 consolidated financial statements, except for the following standard and amendments whose application is mandatory as of January 1, 2023:

- IFRS 17 – *Insurance Contracts;*
- Amendments to IFRS 17 – *Insurance Contracts: Initial Application of IFRS 17* and IFRS 9 – *Comparative Information*;
- Amendments to IAS 1 – *Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies*;
- Amendments to IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates*;
- Amendments to IAS 12 – *Income Taxes: Deferred Tax related to Assets and Liabilities Arising from a Single Transaction*; *International Tax Reform – Pillar Two Model Rules*.

The application of IFRS 17 – *Insurance Contracts* had no impact on the Group's consolidated financial statements. The application of the amendments had no material impact on the Group's consolidated financial statements either.

ADOPTED BY THE EUROPEAN UNION BUT NOT YET APPLICABLE

Standards, amendments and interpretations	Effective date
Amendments to IAS 1 – *Presentation of Financial Statements: Classification of Liabilities as Current or Non-current; Non-current Liabilities with Covenants*	January 1, 2024
Amendments to IFRS 16 – *Leases: Lease Liability in a Sale and Leaseback*	January 1, 2024

NOT YET ADOPTED BY THE EUROPEAN UNION

Standards, amendments and interpretations	Effective date(1)
Amendments to IAS 7 – *Statement of Cash Flows* and IFRS 7 – *Financial instruments*: *Disclosures: Supplier Finance Arrangements*	January 1, 2024
Amendments to IAS 21 – *The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*	January 1, 2025

(1) Subject to adoption by the European Union.

Carrefour does not expect the application of the above amendments to have a material impact on its consolidated financial statements.

5.4.2 SIGNIFICANT EVENTS OF THE YEAR

5.4.2.1 Main acquisitions and disposals in 2023

5.4.2.1.1 Acquisitions in 2023

Main acquisitions completed in 2023

CORA BANNER (ROMANIA) – BUSINESS COMBINATION

In April 2023, Carrefour entered into an agreement with the Louis Delhaize group to acquire its activities in Romania, including ten Cora hypermarkets and nine Cora Urban stores, with almost 2,400 employees. This transaction will consolidate Carrefour's presence in Romania, with hypermarkets in prime locations that will be converted to the Carrefour formats and banner.

After receiving clearance from the local competition authority, the acquisition was completed on October 31, 2023 for non-material price.

In accordance with IFRS 3 – *Business Combinations*, following the Group's preliminary measurement of the assets acquired and liabilities assumed at the acquisition date, provisional goodwill in the amount of 3 million euros was recognised in the consolidated statement of financial position at December 31, 2023 in respect of the Cora acquisition in Romania.

Main acquisitions in progress at December 31, 2023

CORA AND MATCH BANNERS (FRANCE)

On July 12, 2023, Carrefour announced that it had entered into an agreement with the Louis Delhaize group to acquire the Cora and Match banners in France, which operate 60 hypermarkets and 115 supermarkets respectively, and employ some 24,000 people. This acquisition will enable the Group to reaffirm its leadership in food retail in France, with the acquired stores offering a very strong geographical fit with Carrefour, particularly in the east and north of the country.

The transaction values the acquired assets on the basis of an enterprise value of 1.05 billion euros and will be paid entirely in cash. Subject to certain customary conditions, particularly approval by the French competition authority, the transaction is expected to close in the summer of 2024.

STORES OPERATING UNDER THE SUPERCOR BANNER (SPAIN)

On September 20, 2023, Carrefour Spain reached an agreement with El Corte Inglés to acquire 47 supermarkets and convenience stores under the Supercor banner, employing around 850 people.

This transaction values the acquired assets on the basis of an enterprise value of 60 million euros and is expected to be completed by June 30, 2024.

Follow-up to the acquisition of Grupo BIG (Brazil) in 2022 – reduction in purchase price and final opening balance sheet

On March 24, 2021, Carrefour Brazil entered into an agreement with Advent International and Walmart for the acquisition of Grupo BIG, Brazil's third biggest food retailer. The acquiree reported net sales of around 20 billion Brazilian reals (approximately 3.1 billion euros) in 2021 and operates a multi-format network of 388 stores, including 181 owned stores.

Carrefour Brazil's Extraordinary Shareholders' Meeting and CADE, the Brazilian competition authority, approved this transaction on May 19, 2022 and May 25, 2022, respectively (subject to the disposal of 14 stores which took effect before June 30, 2023).

The acquisition was finalised on June 1, 2022, with payment made on June 6, 2022.

The preliminary purchase price for the entire share capital of Grupo BIG was 7,465 million Brazilian reals (1,471 million euros at the exchange rate as of the transaction date), which broke down as follows:

- a cash payment of 5,292 million Brazilian reals (approximately 1 billion euros), representing 70% of the baseline price plus various preliminary earn-outs for 42 million Brazilian reals (approximately 8 million euros), including 900 million Brazilian reals (139 million euros) paid as part of a downpayment in March 2021;
- a share-based payment of 117 million new Carrefour Brazil shares (representing 30% of the baseline price), with a fair value of 2,173 million Brazilian reals (approximately 430 million euros) at June 6, 2022.

As this was a transaction with minority shareholders, the impact of paying for 30% of Grupo BIG in Carrefour Brazil shares was recognised in consolidated equity for approximately 180 million euros attributable to the Carrefour group and approximately 250 million euros attributable to non-controlling interests.

The agreement also provided for an earn-out that would have been paid six months after completion of the transaction if the Carrefour Brazil share price had exceeded the reference value of 19.26 Brazilian reals. No earn-out was paid in 2022, as the price of the Carrefour Brazil share was 15.10 Brazilian reals at December 6, 2022.

Developments in 2023

Discussions between the sellers (Advent International and Walmart) and the buyer (Carrefour Brazil) under the terms of the Grupo BIG acquisition contract led the parties to agree on a firm price reduction of 900 million Brazilian reals (paid in two instalments of 350 and 550 million Brazilian reals respectively) and a potential further reduction of up to 100 million Brazilian reals.

This agreement was signed on March 31, 2023 with the following two conditions precedent:

- immediate payment of the first tranche of 350 million Brazilian reals (317 million Brazilian reals after minor adjustments);
- provision by the sellers of a first demand guarantee from a leading bank.

The agreement was finalised on April 11, 2023 following the satisfaction of both conditions precedent.

In addition to the 350 million Brazilian reals paid on April 11, 2023, the agreement mainly provides for the following price reductions:

- a second tranche of 550 million reals was to be paid 60 days after the publication of Carrefour Brazil's 2023 annual consolidated financial statements. The 550 million reals, which bear interest at SELIC rates calculated as from April 11, 2023 were paid in full in August 2023;

- an additional variable receivable of up to 100 million Brazilian reals, calculated using a metric agreed by the stakeholders. This top-up also bears interest at SELIC rates calculated as from April 11, 2023.

The acquisition price for Grupo BIG is 6,687 million Brazilian reals (or 1,318 million euros at the exchange rate on the transaction date), after discounting to present value the 900 million Brazilian real price reduction at June 1, 2022.

Carrefour Brazil also increased the provisions set aside for labour and tax risks (net of associated deferred tax) by a non-material amount of 33 million Brazilian reals.

In accordance with IFRS 3 – *Business Combinations*, the price reduction and other adjustments occurring within 12 months of the acquisition's closing are recognised retrospectively in Grupo BIG's opening balance sheet with an offsetting adjustment to goodwill (see Note 4 to the consolidated financial statements for more details on the restatement of the consolidated statement of financial position at December 31, 2022).

Grupo BIG's final opening balance sheet at June 1, 2022, as included in the Group's consolidated financial statements as from June 30, 2023, is presented in Note 2.1.1.3 to the 2023 consolidated financial statements.

5.4.2.1.2 Partnerships in 2023

CREATION OF THE ENTITY UNLIMITAIL IN PARTNERSHIP WITH PUBLICIS GROUPE

On November 8, 2022, the Carrefour group and Publicis Groupe announced their intention to create a joint entity in the fast-growing retail media market in continental Europe and Latin America. On June 15, 2023, this intention became a reality with the announcement of the launch of Unlimitail (51% owned by Carrefour and 49% by Publicis). The company has been fully consolidated in the Carrefour group's financial statements since that date.

Unlimitail will partner with retailers and brands, bringing retail expertise and connectivity to these regions. Unlimitail combines one of Publicis' most advanced technologies, "CitrusAd powered by Epsilon", with Carrefour Links' in-depth knowledge of retail media.

CREATION OF THE ENTITY VILLES ET COMMERCES IN FRANCE IN PARTNERSHIP WITH NEXITY

One of the objectives of the Carrefour 2026 strategic plan is to enhance the Group's real estate assets in France through the development of mixed-use real estate projects. To that end, on July 6, 2023, the Group announced that it has joined forces with Nexity to develop 76 sites covering all Carrefour Retail formats (hypermarkets, supermarkets and convenience stores). This long-term partnership will enable Carrefour and Nexity to develop mixed-use programmes with high environmental performance for housing, serviced residences, retail outlets, offices and hotels.

On November 30, 2023, the Villes et Commerces property venture (80% owned by Carrefour and 20% by Nexity) was created to hold the land following an initial contribution of 69 sites by Carrefour and 39 million euros in cash by Nexity. As this was a transaction with a minority shareholder, its impact was recognised in consolidated shareholders' equity in an amount of 18 million euros net of transaction costs.

The remaining seven sites will be contributed to the venture in 2024.

5.4.2.1.3 Disposals effective in 2023

SALE OF CARREFOUR TAIWAN

On July 19, 2022, the Group signed an agreement to sell its entire interest in its Taiwanese subsidiary (i.e., 60%) to the Uni-President group (holder of the remaining 40%). As the applicable conditions precedent were met, particularly clearance from the local competition authority obtained in May 2023, this agreement resulted in loss of control of the subsidiary on June 30, 2023.

The preliminary sale price is 31.1 billion New Taiwan dollars, representing 1.0 billion euros (after taking account of currency hedging). The disposal gain, amounting to approximately 0.75 billion euros, was recognised within net income from discontinued operations. This is because Carrefour Taiwan represents a separate major geographic area of operations and has therefore been treated as a discontinued operation in accordance with IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations* since the date its disposal was announced.

As a reminder, on March 14, 2022, a fire broke out in a logistics centre leased by Carrefour in the Yang Mei district of Taiwan. A claim was submitted to the Group's insurance companies in this respect. Losses incurred as a result of destroyed inventories and equipment were recorded in 2022 against the payout receivable from insurers classified under other current assets. The same applies to the estimated operating losses for 2022 and first-half 2023. In June 2023, further to their final conclusions, the Group's insurance companies paid the balance of the compensation recognised for the damage incurred, after deducting the two instalments already paid last year. The related impacts are recorded in net income from discontinued operations for the periods concerned.

DISPOSAL OF THE ENTITY QUITOQUE (FRANCE)

Quitoque, a specialist in home-delivered meal kits acquired by Carrefour Omnicanal in 2018, was sold to Terence Capital on October 31, 2023. The disposal loss net of transaction costs amounted to 13 million euros and was recognised in non-recurring items for 2023.

5.4.2.1.4 Closure of unprofitable former Grupo BIG stores (Brazil)

CLOSURE OF THE TODO DIA BANNER

In December 2023, the Group decided to close the 94 soft discount stores operated under the Todo Dia banner (acquired in 2022 at the time of the Grupo BIG acquisition) due to unprofitability. The assets of the directly-owned stores (around 50% of the total) are in the process of being sold to various buyers outside of the food retail sector.

CLOSURE OF HYPERMARKETS AND SUPERMARKETS OPERATING UNDER THE BOMPREÇO AND NACIONAL BANNERS

In December 2023, the Group also decided to close 16 hypermarkets (acquired in 2022 at the time of the Grupo BIG acquisition and since converted to Carrefour stores) and 13 supermarkets (acquired in 2022 at the time of the Grupo BIG acquisition and operated under the Bompreço and Nacional banners) due to unprofitability. The assets of the directly-owned stores (around a third of the total) are in the process of being sold to various buyers.

CLASSIFICATION AS ASSETS HELD FOR SALE

In accordance with IFRS 5, the assets of 122 of the 123 above-mentioned stores were classified within assets held for sale and related liabilities at December 31, 2023, and measured at the lower of their net carrying amount and fair value less costs to sell. An impairment loss of around 540 million Brazilian reals (around 100 million euros) was recognised in non-recurring items in 2023 to bring the value of the assets into line with their estimated market prices.

In accordance with Group accounting policies, other costs associated with these closures have also been recognised in non-recurring items for approximately 310 million Brazilian reals (approximately 60 million euros).

5.4.2.1.5 Sale and leaseback transactions in 2023

SALE AND LEASEBACK TRANSACTION (BRAZIL)

On May 12, 2023, Carrefour Brazil announced that it had entered into exclusive negotiations with Barzel, a real estate investment and asset management company, with a view to the sale and leaseback of five stores and four warehouses, for a total of approximately 1.2 billion Brazilian reals i.e., approximately 220 million euros.

CADE, the Brazilian competition authority, approved the transaction on June 12, 2023.

With negotiations on the agreements finalised and the other conditions precedent satisfied, these assets have been leased to Carrefour since June 30, 2023 (date of the transaction's completion and the signing of the leases for fixed 20-year terms, with a five-year renewal option). This transaction led to the recognition of around 10 million euros in non-recurring income.

SALE AND LEASEBACK TRANSACTION (SPAIN)

On December 1, 2023, the premises of six Spanish hypermarkets were sold to the property company Realty Income, with disposal proceeds net of transaction costs representing 114 million euros.

With negotiations on the agreements finalised and the other conditions precedent satisfied, these assets have been leased to Carrefour since December 1, 2023 (date of the transaction's completion and the signing of the leases for fixed ten-year terms, with three five-year renewal options). This transaction led to the recognition of non-recurring income in an amount that was close to zero.

As a reminder, the premises of 16 other Spanish hypermarkets had previously been sold and subsequently leased back to the same buyer (Realty Income) as from 2020 as part of sale and leaseback arrangements.

5.4.2.2 Simplification of the organisation as part of the transformation plan

On November 8, 2022, the Group presented its new strategic plan, Carrefour 2026, to accelerate its transformation, following on from its previous strategic plan. The plan draws on the Group's *raison d'être*, its commitment to the food transition for all, and its digital-driven omni-channel model.
The Carrefour 2026 plan has two pillars:

- commitment to making the best accessible to all our customers;
- building a cutting-edge Group.

The second pillar involves transforming our organisational structure in order to optimise our internal operations by leveraging digitalisation.

In early June 2023, Carrefour France initiated a dialogue process with its employee representatives concerning a transformation project for its various French headquarters, with the aim of safeguarding competitiveness over the long term, boosting performance and agility and simplifying the organisation, all of which will benefit our stores. The proposed new organisational structure was presented to the employee representatives on June 26, 2023. At that time, Carrefour confirmed that the collective contractual termination agreement plan (*Rupture Conventionnelle Collective*) currently under discussion with the employee representatives will involve a maximum of 979 departures, on a strictly voluntary basis. Following four negotiation sessions, the *Rupture Conventionnelle Collective* was signed on July 12, 2023 by the trade unions representing a large majority of the employees concerned.

The amount of the related provision recognised in the consolidated financial statements for the six-month period ended June 30, 2023 was calculated based on various assumptions and represented the best estimate of the costs that the Group expected to incur in relation to the plan (see Note 5.1.2). This transformation plan was rolled out in the second half of 2023. The related provision still to be recognised at December 31, 2023 will cover costs that will mostly be disbursed in 2024.

5.4.2.3 Securing the Group's long-term financing

In 2023, the Group carried out two new Sustainability-Linked Bond issues, indexed to two greenhouse gas emission targets:

- a 500 million euro issue on May 2, 2023, maturing in seven and a half years (due in October 2030) and paying a coupon of 3.75%;
- a 750 million euro issue on November 7, 2023, maturing in eight years (due in November 2031) and paying a coupon of 4.375%.

These bonds were issued as part of a financing strategy aligned with the Group's CSR objectives and ambitions as well as the Sustainability-Linked Bond Framework of its Euro Medium-Term Notes (EMTN) programme published in June 2021, whose CSR component was revised and enhanced in May 2022.

In addition, on June 12, 2023, the Group redeemed 500 million euros' worth of 0.88% five-year bonds. On June 14, 2023, the Group subsequently redeemed 500 million US dollars' worth of convertible, non-dilutive 0% six-year bonds.

These transactions guarantee the Group's liquidity over the short and medium term in an unstable economic environment, and are part of the strategy to ensure the necessary financing is in place to meet Carrefour's needs. The average maturity of Carrefour SA's bond debt was 3.8 years at end-December 2023, compared with 3.6 years at end-December 2022.

FINANCING OF THE BRAZILIAN SUBSIDIARY ATACADÃO

Following on from the 2021 and 2022 transactions, Carrefour's Brazilian subsidiary Atacadão has set up financing arrangements in 2023 enabling it to secure its medium- and long-term needs.

a. Bonds and notes

On April 27, 2023, Atacadão redeemed debenture-type debt representing 500 million Brazilian reals (approximately 93 million euros at the December 31, 2023 exchange rate) maturing in five years and paying a coupon of 105.75% of the CDI (*Certificado de Depósito Interbancário*) rate.

Conversely, on June 2, 2023, the Brazilian subsidiary issued simple unsecured, non-convertible debentures (*Certificado de Recebíveis do Agronegócio* – CRA) for an amount of 930 million Brazilian reals (approximately 174 million euros at the December 31, 2023 exchange rate) in three series:

- an initial series for 330 million Brazilian reals, with a coupon of CDI +0.95% and a maturity of three years;
- a second series for 468 million Brazilian reals, representing a coupon of 111.20% of the CDI after hedging and a maturity of four years;
- a third series for 132 million Brazilian reals, with a coupon of CDI +1.00% and a maturity of five years.

b. Bank loans covered by Brazil's law 4131/1962

US dollar bank financing facilities were finalised on January 10, 2023 and immediately swapped for a total of 2,293 million Brazilian reals. On December 20, 2023, Atacadão repaid the financing falling due and, the same day, renewed these euro and US dollar bank facilities, which were immediately swapped for a total of 2,323 million Brazilian reals (approximately 434 million euros at the December 31, 2023 exchange rate), with maturities ranging from 12 to 24 months.

On April 14, 2023, new euro- and US-dollar bank financing facilities with a two-year maturity were put in place, immediately swapped for a total of 744 million Brazilian reals, which enabled a bank loan maturing on the same date to be repaid. The repaid loan amounted to 750 million Brazilian reals.

Two bank loans matured in May 2023: one of 793 million Brazilian reals on May 5 and one of 568 million Brazilian reals on May 8 (approximately 254 million euros at the December 31, 2023 exchange rate). In June 2023, two other bank loans were repaid, one on June 5 for an amount of 1,014 million Brazilian reals and one on June 7 for an amount of 568 million Brazilian reals (approximately 296 million euros at the December 31, 2023 exchange rate). On September 20, 2023, two other bank financing facilities were repaid in an amount of 527 million Brazilian reals (approximately 99 million euros at the December 31, 2023 exchange rate).

c. Inter-company financing

As a reminder, in 2022, two inter-company financing lines were set up between the companies Carrefour Finance and Atacadão:

- the first revolving credit facility (RCF) for an amount of 4 billion Brazilian reals bearing annual interest at 12% falls due in July 2023;
- the second RCF for 1.9 billion Brazilian reals, bearing annual interest at 14.25%, has a maturity of three years.

In 2023, another inter-company financing line was set up between the companies Carrefour Finance and Atacadão:

- the third RCF for 6.3 billion Brazilian reals (approximately 1.2 billion euros at the December 31, 2023 exchange rate), bearing annual interest at 14.95%, has a three-year maturity and was drawn for 2.3 billion Brazilian reals in the first half of 2023.

  The remaining 4 billion Brazilian reals were drawn down in July 2023 to refinance the first RCF, which fell due and was repaid.

These intra-group RCF loans, totalling 8.2 billion Brazilian reals at December 31, 2023, are qualified as net investments in foreign operations and are therefore remeasured at fair value through equity. They are hedged in an amount of 4.1 billion Brazilian reals by derivatives classified as net investment hedges.

At December 31, 2023, the Group was rated BBB with a stable outlook by Standard & Poor's and Baa1 with a stable outlook by Moody's.

5.4.2.4 Payment of the 2022 dividend in cash

At the Shareholders' Meeting held on May 26, 2023, the shareholders decided to set the 2022 dividend at 0.56 euros per share to be paid entirely in cash.

On June 8, 2023, the dividend was paid out in an amount of 405 million euros.

5.4.2.5 Share buyback program

As part of its share capital allocation policy, the Group commissioned investment services providers to buy back shares corresponding to a maximum amount of 800 million euros for 2023, as authorised by the Shareholders' Meetings of June 3, 2022, and May 26, 2023. The objective of the share buybacks is to allow the Group to hold the shares with a view to cancelling them subsequently.

The first share buyback mandate began on February 27, 2023 and ended on March 31, 2023, with 11,099,084 shares acquired at an average price of 18.02 euros per share for a total amount of 200 million euros.

The second share buyback mandate began on May 2, 2023 and ended on July 21, 2023, with 11,687,580 shares acquired at an average price of 17.11 euros per share for a total amount of 200 million euros.

On July 26, 2023, the Board of Directors, pursuant to the authorisation granted by the Extraordinary Shareholders' Meeting of May 26, 2023, decided to decrease the share capital of Carrefour SA by cancelling 26,887,362 treasury shares (including the last shares not yet cancelled, i.e., 4,685,375 shares acquired under the 2022 share buyback programme), representing approximately 3.6% of the share capital. These shares were cancelled on July 28, 2023.

The third share buyback mandate began on August 1, 2023 and ended on September 12, 2023, with 11,370,337 shares acquired at an average price of 17.59 euros per share for a total amount of 200 million euros.

The fourth share buyback mandate began on October 2, 2023 and ended on November 30, 2023, with 12,040,843 shares acquired at an average price of 16.61 euros per share for a total amount of 200 million euros.

On October 25, 2023, the Board of Directors, pursuant to the authorisation granted by the Extraordinary Shareholders' Meeting of May 26, 2023, decided to decrease the share capital of Carrefour SA by way of cancellation of 11,193,018 treasury shares representing approximately 1.6% of the share capital. These shares were cancelled on that day.

At December 31, 2023, Carrefour SA had 708,790,816 shares outstanding and, consequently, 17,609,525 treasury shares, representing 2.5% of the share capital.

5.4.2.6 Employee share ownership plan

On March 1, 2023, the Group launched Carrefour Invest, an international employee share ownership plan. Two options were offered: Carrefour Classic and Carrefour Secure. The reservation period ran from March 1 to March 20, 2023 and the subscription/revocation period from May 5 to May 9, 2023, with the shares delivered on May 31, 2023. As part of the offer, beneficiaries subscribed to Carrefour shares either directly or through a Company mutual fund (FCPE), depending on the option chosen and/or their country of residence. Shareholders must hold directly-subscribed shares or FCPE units until May 31, 2028 (inclusive), unless an early release event occurs.

The offer entitled employees to a 15% discount on the share price and an employer contribution. The reference price communicated on May 3, 2023 was 18.67 euros (average of the closing prices over the previous 20 days). After application of the 15% discount, the subscription price of the shares for both options stood at 15.87 euros per share.

The operation resulted in a Carrefour SA capital increase of 75 million euros (4,713,735 new ordinary shares) and the recognition of an operating expense of approximately 30 million euros in respect of the discount and the employer contribution.

5.4.3 RESTATEMENT OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT DECEMBER 31, 2022 TO REFLECT THE REDUCTION IN THE ACQUISITION PRICE OF GRUPO BIG IN BRAZIL

On March 31, 2023, an agreement was signed with the sellers of Grupo BIG, leading to a firm reduction in its price for a minimum of 900 million Brazilian reals (see Note 5.4.2.1.1 for further details). In accordance with IFRS 3 – *Business Combinations*, the price reduction occurring within 12 months of the acquisition's closing is recognised retrospectively in Grupo BIG's opening balance sheet with an offsetting adjustment to goodwill.

The consolidated statement of financial position at December 31, 2022 has therefore been restated for this price reduction (on the line "Other non-current financial assets" for its long-term portion and on the line "Other current financial assets" for its short-term portion), as well as for other minor adjustments.

The impacts of this restatement are presented in Note 4 to the consolidated financial statements.

5.4.4 CLIMATE CHANGE

The potential impacts of climate change are taken into account in the Group's strategic plan and risk management. In preparing these consolidated financial statements, the Group took these impacts into account in particular when reviewing the useful lives of property and equipment (see Note 7.2 to the consolidated financial statements) and performing goodwill impairment tests (see Note 7.3 to the consolidated financial statements).

In line with the goals set in 2015 by the Paris climate agreement adopted by the COP21, Carrefour raised its objectives to limit global warming in 2021, setting itself the goal of achieving carbon-neutral stores by 2040 (Scopes 1 and 2) and achieving carbon-neutral e-commerce activities by 2030.

Carrefour has committed to reducing its CO_2 emissions for Scopes 1 and 2 by 30% by 2025, 50% by 2030 and 70% by 2040 (compared to 2019). These targets for integrated stores (Scopes 1 and 2) are aligned with a greenhouse gas (GHG) emissions reduction trajectory consistent with a "below 1.5°C" scenario. It should be noted that taking into account direct and indirect GHG emissions across Scopes 1, 2 and 3 combined, the Group's targets are aligned with a trajectory consistent with a "well below 2°C" scenario and have been validated by the Science Based Targets initiative.

To do this, the Group aims to reduce the CO_2 emissions produced by its operations at source as much as possible, through three 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:
  - The Group is therefore stepping up the process to equip its stores with photovoltaic systems (94 in Spain, 14 in France, 13 in Poland, nine in Brazil, six in Belgium and one in Italy at December 31, 2023).
  - In 2023, the Group signed four physical power purchase agreements (covering wind and solar farms) in France, which will produce around 100 GWh per year from 2024, equivalent to the power consumed by 29 hypermarkets. The Group will continue to accelerate the roll-out of these green energy contracts across all its geographies.
  - In addition, as part of the objective under the Carrefour 2026 strategic plan to produce almost one TWh of electricity per year from 2027 onwards in France, Spain and Brazil, Carrefour has selected a number of partners to produce solar power at more than 500 sites in France and has also begun the selection process to find operators in Spain. The first half of 2024 will be dedicated to finalising contractual frameworks for these partnerships.

- A 27.5% reduction in energy consumption by 2030 (2019 baseline). The investments made (in the form of operating and capital expenditure) will enable Carrefour to reduce energy consumption across the Group by 20% by 2026. Carrefour in France achieved its target of a 20% reduction by 2023. The Group is seeking to improve energy efficiency through six priority action and technology recommendations for its stores: renovation of commercial cooling systems, doors for refrigeration units, use of electronic speed controllers, use of divisional meters, low consumption LED lighting and technical building management (focused on air conditioning, ventilation and heating).
- A reduction in emissions from refrigerant use. Carrefour is committed to phasing out HFC refrigeration units and phasing in systems using natural refrigerants (CO_2), 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: by the end of 2023, implementation was in line with the targets set for 2030 in Europe.

5.4.5 MAIN RELATED-PARTY TRANSACTIONS

The main related-party transactions are disclosed in Note 9.3 to the consolidated financial statements.

5.4.6 SUBSEQUENT EVENTS

On January 8, 2024, the Brazilian subsidiary Atacadão issued debentures for an amount of 1.5 billion Brazilian reals (approximately 280 million euros at the December 31, 2023 exchange rate) in two tranches:

- an initial tranche for 650 million Brazilian reals, with a coupon of CDI +1.2% and a maturity of two years;
- a second tranche for 850 million Brazilian reals, with a coupon of CDI +1.35% and a maturity of three years;

On February 5, 2024, the Brazilian subsidiary Atacadão issued simple, unsecured non-convertible debentures (*Certificado de Recebíveis do Agronegócio* – CRA) for an amount of 1 billion Brazilian reals (approximately 187 million euros at the December 31, 2023 exchange rate) in five tranches:

- an initial tranche for 146 million Brazilian reals, with a coupon of CDI +0.85% and a maturity of three years;
- a second tranche for 61 million Brazilian reals, with a coupon of CDI +0.95% and a maturity of five years;
- a third tranche for 341 million Brazilian reals, with a coupon of between 109.95% and 110.07% of the CDI (after hedging) and a maturity of three years;
- a fourth tranche for 196 million Brazilian reals, with a coupon of 110.10% of the CDI (after hedging) and a maturity of five years;
- a fifth tranche for 256 million Brazilian reals, with a coupon of between 110.80% and 111.20% of the CDI (after hedging) and a maturity of seven years.

On January 25, 2024, the Group announced that it had entered into exclusive negotiations with the Intermarché group with a view to acquiring 31 stores. These stores generated sales of around 400 million euros in 2022. The amount of the acquisition is not material.

Under the terms of this agreement, Carrefour will replace Intermarché for the purchase of 25 stores from Casino (purchase commitment signed on February 8, 2024), while the remaining six stores will be acquired directly from Intermarché.

The Group has undertaken to maintain all employees working in the stores along with their social benefits for a minimum period of 15 months.

The transaction is subject to the usual conditions precedent, notably the authorisation of the French competition authority. The transaction is expected to be completed in April 2024 for the stores acquired from Casino and in the second quarter of 2024 for the stores acquired from Intermarché.

5.4.7 RISK FACTORS

The risk factors are the same as those set out in Chapter 4 *Risk Management* of the 2023 Universal Registration Document.

5.5 Glossary of financial indicators

Free cash flow

Free cash flow corresponds to cash flow from operating activities before net finance costs and net interests related to lease commitments, after the change in working capital, less net cash from/(used in) investing activities.

Net free cash flow

Net free cash flow corresponds to free cash flow after net finance costs and net lease payments.

Like for like sales growth

Sales generated by stores opened for at least twelve months, excluding temporary store closures, at constant exchange rates, excluding petrol and calendar effects and excluding IAS 29 impact.

Organic sales growth

Like for like sales growth plus net openings over the past twelve months, including temporary store closures, at constant exchange rates.

Gross margin

Gross margin is the difference between the sum of net sales, other income, reduced by loyalty programme costs and the cost of goods sold. Cost of sales comprises purchase costs, changes in inventory, the cost of products sold by the financial services companies, discounting revenue and exchange rate gains and losses on goods purchased.

Recurring operating income (ROI)

Recurring operating income is defined as the difference between gross margin and sales, general and administrative expenses, depreciation and amortisation and provisions.

Recurring operating income before depreciation and amortisation (EBITDA)

Recurring operating income before depreciation and amortisation (EBITDA) excludes depreciation from supply chain activities which is booked in cost of goods sold and excludes non-recurring items as defined below.

Operating income (EBIT)

Operating income (EBIT) is defined as the difference between gross margin and sales, general and administrative expenses, depreciation, amortisation and non-recurring items. This classification is applied to certain material items of income and expense that are unusual in terms of their nature and frequency, such as impairment charges, restructuring costs and provision charges recorded to reflect revised estimates of risks provided for in prior periods, based on information that came to the Group's attention during the reporting year.

5.6 Parent company financial review

5.6.1 BUSINESS AND FINANCIAL REVIEW

As the Group's holding company, Carrefour (the Company) manages a portfolio of shares in French and foreign subsidiaries and affiliates.

In 2023, operating income amounted to 191 million euros, up 36 million euros compared with 2022 and essentially comprised costs rebilled to other Group entities. The operating loss recorded in 2023 came to 81 million euros, versus 89 million euros in 2022.

Net financial income of 1,314 million euros was reported in 2023, improved from a net financial expense of 93 million euros recognised in 2022.

The 1,407 million euro improvement is mainly explained by (i) the 1,290 million euros in impairment for shares in subsidiaries and affiliates and deficits net of reversals for the year in 2022, compared to net reversals of 64 million euros in 2023 and (ii) the 21 million euro increase in dividends received from subsidiaries during the year. Dividends totalled 1,346 million euros in 2023 compared iwth 1,325 million euros in 2022.

Net non-recurring income for 2023 represented 4 million euros, compared with 26 million euros in 2022.

Net income for the year amounted to 1,783 million euros, including a tax benefit of 546 million euros.

Other transactions

Capital increase following the employee share ownership programme

On March 1, 2023, the Carrefour group launched Carrefour Invest, an international employee share ownership plan. As part of the offer, beneficiaries subscribed to Carrefour shares either directly or through a Company mutual fund (FCPE), depending on the option chosen and/or their country of residence.

The operation resulted in a Carrefour SA capital increase of 75 million euros (4,713,735 new ordinary shares), including 12 million euros in capital and 63 million euros in premiums.

Share buyback programmes

As part of its share capital allocation policy, the Company commissioned several investment services providers to buy back shares corresponding to a maximum amount of 800 million euros, as authorised by the Shareholders' Meetings of June 3, 2022 and May 26, 2023.

(i) The first tranche of the share buyback programme began on February 27, 2023 and ended on March 31, 2023: with 11,099,084 shares acquired at an average price of 18.02 euros per share for a total amount of 200 million euros.

(ii) A second tranche of the share buyback programme began on May 2, 2023 and ended on July 21, 2023: with 11,687,580 shares acquired at an average price of 17.11 euros per share for a total amount of 200 million euros.

(iii) A third tranche of the share buyback programme began on August 1, 2023 and ended on September 12, 2023: with 11,370,337 shares acquired at an average price of 17.59 euros per share for a total amount of 200 million euros.

(iv) A fourth and final tranche of the share buyback programme began on October 2, 2023 and ended on November 30, 2023: with 12,040,843 shares acquired at an average price of 16.61 euros per share for a total amount of 200 million euros.

Capital reductions

Following the share buybacks under the above-mentioned buyback programme, Carrefour SA carried out two capital reductions by cancelling the shares bought back:

(i) an initial capital reduction in July 2023 involving the cancellation of 26,887,362 shares,

(ii) a second capital reduction in October 2023 involving the cancellation of 11,193,018 shares.

Following cancellation of these shares, the share capital was reduced by 95.2 million euros and premiums were reduced by 586.8 million euros. Carrefour SA therefore has 708,790,816 shares outstanding and, consequently, 17,609,525 treasury shares, representing approximately 2.5% of the share capital.

Financing transactions

In 2023, Carrefour SA carried out two Sustainability-Linked Bond issues:

(i) a 500 million euro issue on May 2, 2023, maturing in seven and a half years (due in October 2030) and paying a coupon of 3.75%;

(ii) a 750 million euro issue on November 7, 2023, maturing in eight years (due in November 2031) and paying a coupon of 4.375%.

In addition, on June 12, 2023, Carrefour SA redeemed 500 million euros' worth of 0.88% five-year bonds. On June 14, 2023, Carrefour SA subsequently redeemed 500 million dollars' worth of convertible, non-dilutive 0% six-year bonds.

Payment cycles of suppliers and customers

In accordance with the disclosure requirements of Article L. 441-6-1 of the French Commercial Code (Code de commerce), the table below shows the Company's trade payables and trade receivables by due date.

Year ended December 31, 2023 *(in thousands of euros)*	Article D. 441 I-1: Unpaid and overdue incoming invoices at the reporting date						Article D. 441 I-2: Unpaid and overdue outgoing invoices at the reporting date					
	0 days	1-30 days	31-60 days	61-90 days	91+ days	Total (1 day or more)	0 days	1-30 days	31-60 days	61-90 days	91+ days	Total (1 day or more)
Number of invoices	9	8	4	1	49	62(*)	24	4	0	0	7	11(*)
Total amount (including VAT) of the invoices	133,183	418,995	-20,585	5	78,839	477,254(*)	46,373,584	-293,179	0	0	2,661,313	2,368,134(*)
Percentage of total amount of purchases (including VAT) over the period	0%	0%	0%	0%	0%	0%						
Percentage of sales (including VAT) over the period							37%	0%	0%	0%	2%	2%
(B) INVOICES EXCLUDED FROM (A) RELATING TO DOUBTFUL OR UNRECOGNISED PAYABLES AND RECEIVABLES												
Number of invoices excluded						none						none
Total amount of invoices excluded						0						0
(C) STANDARD PAYMENT DEADLINES USED (CONTRACTUAL OR LEGAL DEADLINES - ARTICLE L. 441-6 OR ARTICLE L. 443-1 OF THE FRENCH COMMERCIAL CODE)												
Payment deadlines used to calculate late payments	The contractual deadlines applied fall within a 20- to 60-day period. X Contractual deadlines et Legal deadlines.						The contractual deadlines applied fall within a 20- to 60-day period. X Contractual deadlines et Legal deadlines.					

(*) Mainly correspond to intragroup invoices.

5.6.2 INVESTMENTS IN SUBSIDIARIES AND AFFILIATES

As part of its effort to manage its equity portfolio, during the year the Company subscribed to Carrefour Italy's capital increase in the amount of 30 million euros.

5.6.3 INCOME APPROPRIATION

It is recommended that the Shareholders' Meeting allocate distributable income as follows:

(in millions of euros)	
Net income for the year	**€1,782,775,148.32**
Allocation to the legal reserve	-€
Retained earnings at December 31, 2023	€2,543,249,909.41
Income available for distribution	**€4,326,025,057.73**
2023 dividends paid out of distributable profit[1]	**€601,327,723.17**
Balance of retained earnings after allocation	**€3,724,697,334.56**

(1) Calculated based on shares eligible for dividends after deduction of treasury shares at December 31, 2023.

The amount of retained earnings includes the dividends not paid out on treasury shares.

In the event of a change in the number of shares eligible for dividends with respect to the 708,790,816 shares comprising the share capital at December 31, 2023, the total dividend amount would be adjusted and the amount allocated to retained earnings would be determined on the basis of the dividends actually paid.

It is specified, in accordance with current tax regulations, that the total dividend amount of 601,327,723.17 euros, which represents a dividend of 0.87 euros per share eligible for dividends (after deduction of 17,609,525 treasury shares at December 31, 2023) before payroll taxes and the mandatory flat-rate withholding tax (prélèvement forfaitaire obligatoire non libératoire) provided for in Article 117 quater of the French General Tax Code, qualifies, for individuals who are resident in France for tax purposes, for the 40% tax relief described in section 2 of paragraph 3 of Article 158 of the French General Tax Code, if the taxpayer elects to be taxed at the progressive income tax rate.

The dividend to be distributed will be allocated on May 28, 2024 and will become payable on May 30, 2024.

As required by law, the dividends paid per share for the three preceding financial years and the amounts eligible for tax relief under Article 158-3-2 of the French general tax code are set out below:

Financial year	Gross dividend paid	Dividends eligible for 40% tax relief	Dividends not eligible for 40% tax relief
2019	€0.23	€0.23	-
2020	€0.48	€0.48	-
2021	€0.52	€0.52	-
2022	€0.56	€0.56	-

5.6.4 RESEARCH AND DEVELOPMENT

The Company does not implement any research and development policy.

5.6.5 RECENT DEVELOPMENTS

See the Group's management report at December 31, 2023 for information on the 2024 outlook for the entire Company, its subsidiaries and the Group's equity-accounted associates and joint ventures.

5.6.6 COMPANY EARNINGS PERFORMANCE IN THE LAST FIVE FINANCIAL YEARS

(in millions of euros)	2023	2022	2021	2020	2019
I - Capital at year-end					
Share capital	1,772	1,855	1,940	2,044	2,018
Issue and merger premiums	15,493	16,017	16,587	17,183	17,082
Number of existing ordinary shares	708,790,816	742,157,461	775,895,892	817,623,840	807,265,504
II - Results of operations for the financial year					
Net income before tax, employee profit-sharing and depreciation, amortisation and provisions	1,215	1,158	474	565	116
Income tax	546	375	319	102	181
Employee profit-sharing payable for the financial year					
Net income after tax, employee profit-sharing and depreciation, amortisation and provisions	1,783	223	837	550	266
Distributed income	601(1)	405	380	383	184
III – Net income per share					
Net income after tax and employee profit-sharing but before depreciation, amortisation and provisions	2.48	2.07	1.02	0.82	0.37
Net income after tax, employee profit-sharing and depreciation, amortisation and provisions	2.52	0.30	1.08	0.67	0.33
Net dividend allocated to each share(1)	0.87	0.56	0.52	0.48	0.23
IV - Employees					
Average number of employees during the financial year	5	5	4	5	5
Amount of payroll for the financial year(2)	11	9	9	13	16
Amount paid as employee benefits for the financial year (social security, social services)(2)	3	2	2	3	6

(1) Set by the Board of Directors and to be submitted for approval to the Ordinary Shareholders' Meeting.

(2) Excluding expenses related to the performance share plan

6

CONSOLIDATED FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

The consolidated statement of financial position at December 31, 2022 has been restated in accordance with IFRS 3 – *Business Combinations* to reflect the changes affecting the opening balance sheet of Grupo BIG in Brazil (see Notes 2.1.1.3 and 4).

Argentina is classified as a hyperinflationary economy within the meaning of IFRS. IAS 29 – *Financial Reporting in Hyperinflationary Economies* is therefore applicable to the consolidated financial statements for the year ended December 31, 2023. Comparative data for 2022 have also been adjusted for inflation.

The consolidated financial statements are presented in millions of euros, rounded to the nearest million. As a result, there may be rounding differences between the amounts reported in the various statements.

6.1 Consolidated income statement

(in millions of euros)	*Notes*	2023	2022	% change
Net sales	6.1	83,270	81,385	2.3%
Loyalty program costs		(993)	(842)	18.0%
Net sales net of loyalty program costs		**82,276**	**80,543**	**2.2%**
Other revenue	6.1	2,632	2,546	3.4%
Total revenue		**84,908**	**83,089**	**2.2%**
Cost of sales	6.2	(68,278)	(66,776)	2.2%
Gross margin from recurring operations		**16,630**	**16,313**	**1.9%**
Sales, general and administrative expenses, depreciation and amortisation	6.2	(14,367)	(13,936)	3.1%
Recurring operating income		**2,264**	**2,377**	**(4.7)%**
Net income/(loss) from equity-accounted companies	9	44	50	(12.6)%
Recurring operating income after net income from equity-accounted companies		**2,308**	**2,427**	**(4.9)%**
Non-recurring income and expenses, net	6.3	(558)	36	(1654.8)%
Operating income		**1,749**	**2,463**	**(29.0)%**
Finance costs and other financial income and expenses, net	14.6	(410)	(490)	(16.3)%
Finance costs, net		*(258)*	*(336)*	*(23.4)%*
Net interests related to leases		*(208)*	*(167)*	*25.1%*
Other financial income and expenses, net		*56*	*13*	*331.8%*
Income before taxes		**1,339**	**1,973**	**(32.1)%**
Income tax expense	10.1	(439)	(408)	7.6%
Net income/(loss) from continuing operations		**900**	**1,564**	**(42.5)%**
Net income/(loss) from discontinued operations	2.1.3	742	1	53067.3%
NET INCOME/(LOSS) FOR THE YEAR		**1,642**	**1,566**	**4.9%**
Group share		**1,659**	**1,348**	**23.1%**
of which net income/(loss) from continuing operations – Group share		930	1,368	(32.0)%
of which net income/(loss) from discontinued operations – Group share		729	(21)	3614.4%
Attributable to non-controlling interests		**(17)**	**218**	**(108.0)%**
of which net income/(loss) from continuing operations – attributable to non-controlling interests		(30)	196	(115.4)%
of which net income/(loss) from discontinued operations – attributable to non-controlling interests		13	22	(42.5)%

Basic earnings per share *(in euros)*	*Notes*	2023	2022	% change
Net income/(loss) from continuing operations – Group share – per share	13.6	1.30	1.85	(29.4)%
Net income/(loss) from discontinued operations – Group share – per share	13.6	1.02	(0.03)	3748.3%
Net income/(loss) – Group share – per share	13.6	2.32	1.82	27.8%

Diluted earnings per share *(in euros)*	*Notes*	2023	2022	% change
Net income/(loss) from continuing operations – Group share – per share	13.6	1.29	1.83	(29.4)%
Net income/(loss) from discontinued operations – Group share – per share	13.6	1.01	(0.03)	3748.0%
Net income/(loss) – Group share – per share	13.6	2.31	1.80	27.8%

6.2 Consolidated statement of comprehensive income

(in millions of euros)	*Notes*	2023	2022
Net income/(loss) – Group share		1,659	1,348
Net income – Attributable to non-controlling interests		(17)	218
Net income/(loss) for the year		**1,642**	**1,566**
Effective portion of changes in the fair value of cash flow hedges[1]	13.4	(93)	115
Changes in debt instruments at fair value through other comprehensive income	13.4	(29)	(19)
Exchange differences on translation of intercompany loans qualifying as net investment of foreign operations, net of hedge effect[2]	13.4	(6)	(11)
Exchange differences on translating foreign operations[3]	13.4	9	380
Items that may be reclassified subsequently to profit or loss		**(119)**	**464**
Remeasurements of defined benefit plans obligation[4]	12.1/13.4	(29)	131
Changes in the fair value of equity instruments through other comprehensive income	13.4	0	0
Items that will not be reclassified subsequently to profit or loss		**(28)**	**131**
Other comprehensive income/(loss) after tax		**(147)**	**595**
TOTAL COMPREHENSIVE INCOME/(LOSS)		**1,495**	**2,161**
Group share		1,463	1,815
Attributable to non-controlling interests		32	346

These items are presented net of the tax effect (see Note 13.4).

(1) The currency swap eligible for cash flow hedge accounting, set up by the Group in 2022 in order to hedge the risk of unfavourable changes in the New Taiwan dollar up to the amount of the Group's share in the value of Carrefour Taiwan, was settled when Carrefour Taiwan was sold, generating an expense of 46 million euros net of tax (see Note 2.1.3). To a lesser extent, this item also includes swaps in Spain and France taken out to hedge the risk of unfavourable changes in energy prices for electricity and biomethane, respectively (see Note 14.7.6).

(2) In 2023 and 2022, Carrefour Finance granted two intra-group revolving credit facilities (RCF) to the Brazilian subsidiary Atacadão for 2.3 billion Brazilian reals and 5.9 billion Brazilian reals respectively. These facilities were treated as part of the net investment in that operation. The derivatives contracted to hedge part of the facilities were classified as a net investment hedge (see Note 2.3).

(3) Exchange differences recognised on translating foreign operations in 2023 result from contrasting movements, namely, exchange losses arising on the major decrease in the value of the Argentine peso and on the reversal of positive translation adjustments recognised by Carrefour Taiwan at the time of its sale, representing 52 million euros. These exchange losses were offset by the increase in the value of the Brazilian real and the Polish zloty.
Exchange differences in 2022 mainly reflected the significant increase in the value of the Brazilian real.

(4) Remeasurement of the net defined benefit liability recognised in 2023 reflects the decline in discount rates applied for the eurozone, from 3.80% at end-December 2022 to 3.20% at end-December 2023 (see Note 12.1). In 2022, these discount rates had increased sharply, from 0.80% at end-December 2021 to 3.80% at end-December 2022.

6.3 Consolidated statement of financial position

ASSETS

(in millions of euros)	*Notes*	December 31, 2023	December 31, 2022 IFRS 3 restated
Goodwill	7.1	8,712	8,644
Other intangible assets	7.1	1,552	1,499
Property and equipment	7.2	12,360	12,612
Investment property	7.4	262	279
Right-of-use assets	8.1	4,464	4,190
Investments in companies accounted for by the equity method	9.1	1,142	1,197
Other non-current financial assets	14.5	1,229	1,251
Consumer credit granted by the financial services companies – portion due in more than one year	6.5	1,911	1,867
Deferred tax assets	10.2	395	475
Other non-current assets	6.4	697	609
Non-current assets		**32,723**	**32,622**
Inventories	6.4	6,544	6,893
Trade receivables	6.4	3,269	3,330
Consumer credit granted by the financial services companies – portion due in less than one year	6.5	4,644	4,111
Other current financial assets	14.2	685	771
Tax receivables	6.4	824	948
Other current assets	6.4	1,008	1,025
Cash and cash equivalents	14.2	6,290	5,216
Assets held for sale	2.1.4	184	1,641
Current assets		**23,448**	**23,935**
TOTAL ASSETS		**56,171**	**56,558**

SHAREHOLDERS' EQUITY AND LIABILITIES

(in millions of euros)	*Notes*	December 31,2023	December 31, 2022 IFRS 3 restated
Share capital	13.2	1,772	1,855
Consolidated reserves (including net income)		9,767	9,289
Shareholders' equity, Group share		**11,539**	**11,144**
Shareholders' equity attributable to non-controlling interests	13.5	1,848	2,042
Total shareholders' equity		**13,387**	**13,186**
Borrowings – portion due in more than one year	14.2	7,264	6,912
Lease commitments – portion due in more than one year	8.2	3,894	3,574
Provisions	11	4,012	3,979
Consumer credit financing – portion due in more than one year	6.5	1,931	1,550
Deferred tax liabilities	10.2	300	365
Tax payables – portion due in more than one year	6.4	57	85
Non-current liabilities		**17,458**	**16,464**
Borrowings – portion due in less than one year	14.2	2,224	2,646
Lease commitments – portion due in less than one year	8.2	1,007	955
Suppliers and other creditors	6.4	14,242	14,393
Consumer credit financing – portion due in less than one year	6.5	3,771	3,592
Tax payables – portion due in less than one year	6.4	1,222	1,182
Other current payables	6.4	2,860	2,943
Liabilities related to assets held for sale		–	1,196
Current liabilities		**25,326**	**26,907**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**56,171**	**56,558**

6.4 Consolidated statement of cash flows

(in millions of euros)	2023	2022
Income before taxes	**1,339**	**1,973**
OPERATING ACTIVITIES		
Income tax paid	(343)	(449)
Depreciation and amortisation expense	2,295	2,236
Gains and losses on disposal of assets and other	55	(165)
Change in provisions and impairment	93	(371)
Finance costs, net	258	336
Net interests related to leases	208	167
Share of profit and dividends received from equity-accounted companies	38	26
Impact of discontinued operations[1]	89	215
Cash flow from operations	**4,032**	**3,968**
Change in working capital requirement[2]	775	108
Impact of discontinued operations[1]	(54)	8
Net cash (used in)/from operating activities (excluding financial services companies)	**4,754**	**4,085**
Change in consumer credit granted by the financial services companies	(104)	135
Net cash (used in)/from operating activities – total	**4,650**	**4,219**
INVESTING ACTIVITIES		
Acquisitions of property and equipment and intangible assets[3]	(1,850)	(1,882)
Acquisitions of non-current financial assets	(21)	(45)
Acquisitions of subsidiaries and investments in associates[4]	(6)	(914)
Proceeds from the disposal of subsidiaries and investments in associates[5]	1,067	94
Proceeds from the disposal of property and equipment and intangible assets[6]	474	380
Proceeds from the disposal of non-current financial assets	10	6
Change in amounts receivable from disposals of non-current assets and due to suppliers of non-current assets[3]	(124)	55
Investments net of disposals – subtotal	**(450)**	**(2,306)**
Other cash flows from investing activities	(64)	207
Impact of discontinued operations[1]	(225)	(34)
Net cash (used in)/from investing activities – total	**(739)**	**(2,134)**

(in millions of euros)	2023	2022
FINANCING ACTIVITIES		
Carrefour SA capital increase/(decrease)[7][8]	(609)	(657)
Proceeds from share issues to non-controlling interests	47	3
Dividends paid by Carrefour SA[9]	(405)	(380)
Dividends paid to non-controlling interests	(76)	(101)
Change in treasury stock and other equity instruments[8]	(118)	(96)
Change in current financial assets[10]	69	(7)
Issuance of bonds[10]	1,425	2,633
Repayments of bonds[10]	(1,053)	(1,081)
Net financial interests paid	(184)	(194)
Other changes in borrowings[10]	(563)	774
Payments related to leases (principal)[11]	(1,000)	(925)
Net interests paid related to leases[11]	(209)	(164)
Impact of discontinued operations[1]	(45)	(132)
Net cash (used in)/from financing activities – total	**(2,719)**	**(326)**
Net change in cash and cash equivalents before the effect of changes in exchange rates	**1,192**	**1,759**
Effect of changes in exchange rates[12]	(353)	(11)
NET CHANGE IN CASH AND CASH EQUIVALENTS	**838**	**1,748**
Cash and cash equivalents at beginning of year	**5,451**	**3,703**
Cash and cash equivalents at end of year	**6,290**	**5,451**
of which cash and cash equivalents at end of year from continuing operations	*6,290*	*5,216*
of which cash and cash equivalents at end of year from discontinued operations	–	*235*

(1) This caption reflects the classification of cash flows relating to discontinued operations in accordance with IFRS 5. The reclassified cash flows correspond almost exclusively to the disposal of Carrefour Taiwan, effective June 30, 2023 (see Note 2.1.3).

(2) The change in working capital requirement is set out in Note 6.4.

(3) Acquisitions include operational investments in growth formats, in particular those relating to the Grupo BIG store conversions and the Group's digitalisation.

(4) In 2022, this line mainly corresponded to the cash payment in respect of the acquisition of the entire share capital of Grupo BIG in Brazil (excluding the downpayment in March 2021) for 866 million euros (4,392 million Brazilian reals).

(5) This item corresponds to the disposal of Carrefour Taiwan for a preliminary amount of 1.0 billion euros (see Note 2.1.3). In 2022, this item corresponded mainly to the sale of the Group's interest in a variety of equity-accounted companies, including Mestdagh in Belgium for 41 million euros, Ploiesti Shopping City in Romania for 30 million euros and CarrefourSA in Turkey for 14 million euros.

(6) This line mainly corresponds to the sale and leaseback of five stores and four warehouses in Brazil and six hypermarkets in Spain (see Note 2.1.5) and the sale of store premises and businesses to franchisees in France. In 2022, this line corresponded mainly to the sale and leaseback of nine hypermarkets and five supermarkets in Spain and the sale of store premises and businesses to franchisees in France and Italy.

(7) In 2023, Carrefour SA's capital was increased by 75 million euros following the implementation of the "Carrefour Invest" plan (see Note 2.6).

(8) These lines correspond to the 800 million euro share buyback programme (see Note 2.5) implemented in 2023 in four 200 million euro buyback mandates. Following decisions by the Board of Directors, 682 million euros worth of shares (including associated costs) were cancelled on July 28, 2023 and October 25, 2023 (including the 95 million euros worth of shares acquired under the 2022 share buyback programme and not yet cancelled). The shares covered by the 2023 programme, which were still held in treasury at December 31, 2023, are presented within "Change in treasury stock and other equity instruments".

In 2022, this item corresponded to the share buyback programme for 750 million euros implemented between March and May 2022, of which, following decisions by the Board of Directors, 401 million euros worth of shares (including associated costs) were cancelled on April 20, 2022 and another 256 million euros worth (including associated costs) were cancelled on June 3, 2022. The shares covered by this programme, which were still held in treasury at December 31, 2022, were presented within "Change in treasury stock and other equity instruments".

(9) The dividend approved by the Shareholders' Meeting of May 26, 2023 was paid entirely in cash on June 8, 2023 for an amount of 405 million euros (see Note 2.4). In 2022, the dividend was paid entirely in cash on June 9, 2022 for 380 million euros.

(10) Note 14.2 provides a breakdown of net debt. Changes in liabilities arising from financing activities are detailed in Note 14.4. In 2023, changes in current financial assets mainly reflect the 900 million Brazilian real (approximately 145 million euro) reduction in the firm price received for Grupo BIG (see Note 2.1.1.3), partially offset by the purchase of dollar- and inflation-linked investments in Argentina.

(11) In accordance with IFRS 16, payments under leases along with any related interest are shown in financing cash flows.

(12) Exchange differences in 2023 mainly relate to the major devaluation of the Argentine peso during the year.

6.5 Consolidated statement of changes in shareholders' equity

(in millions of euros)	Shareholders' equity, Group share						
	Share capital(1)	Foreign exchange translation reserve	Fair value reserve(2)	Other consolidated reserves and net income	Total Shareholders' equity, Group share	Total Non-controlling interests	Total Shareholders' equity
Shareholders' equity at December 31, 2021	**1,940**	**(1,990)**	**(4)**	**10,305**	**10,251**	**1,579**	**11,830**
Net income/(loss) for the year 2022	–	–	–	1,348	1,348	218	1,566
Other comprehensive income/(loss) after tax(3)	–	258	83	127	467	128	595
Total comprehensive income/(loss) 2022	**–**	**258**	**83**	**1,474**	**1,815**	**346**	**2,161**
Share-based payments	–	–	–	21	21	1	22
Treasury stock (net of tax)(5)	–	–	–	(96)	(96)	–	(96)
2021 dividend payment(4)	–	–	–	(380)	(380)	(127)	(507)
Change in capital and additional paid-in capital(5)	(84)	–	–	(570)	(655)	3	(651)
Effect of changes in scope of consolidation and other movements(7)	–	62	–	126	188	241	429
Shareholders' equity at December 31, 2022	**1,855**	**(1,670)**	**78**	**10,881**	**11,144**	**2,042**	**13,186**
Net income/(loss) for the year 2023	–	–	–	1,659	1,659	(17)	1,642
Other comprehensive income/(loss) after tax(3)	–	(48)	(120)	(28)	(196)	49	(147)
Total comprehensive income/(loss) 2023	**–**	**(48)**	**(120)**	**1,631**	**1,463**	**32**	**1,495**
Share-based payments	–	–	–	52	52	1	53
Treasury stock (net of tax)(5)	–	–	–	(118)	(118)	–	(118)
2022 dividend payment(4)	–	–	–	(405)	(405)	(70)	(475)
Change in capital and additional paid-in capital(5)(6)	(83)	–	–	(524)	(607)	8	(599)
Effect of changes in scope of consolidation and other movements(7)	–	(1)	–	11	10	(165)	(155)
Shareholders' equity at December 31, 2023	**1,772**	**(1,719)**	**(42)**	**11,528**	**11,539**	**1,848**	**13,387**

(1) At December 31, 2023, the share capital was made up of 708,790,816 ordinary shares (see Note 13.2.1).

(2) This item comprises:
- the hedge reserve (effective portion of changes in the fair value of cash flow hedges);
- the financial asset fair value reserve (changes in the fair value of financial assets carried at fair value through other comprehensive income);
- exchange differences on translation of intercompany loans qualifying as net investments in foreign operations, net of the hedge effect.

In 2023, this item includes the impact of unwinding the EUR/TWD currency swap following the disposal of Carrefour Taiwan, representing a negative 46 million euros net of tax. This instrument had been set up in 2022 to hedge the risk of unfavourable fluctuations in the New Taiwan dollar. This item also includes the 35 million euro decrease in the fair value of Flink shares.

(3) In 2023, the Group's share of exchange differences recognised on translating foreign operations mainly reflects the major decrease in the value of the Argentine peso, as well as the reversal of the positive translation adjustments recognised by Carrefour Taiwan further to its disposal at June 30 (see Note 2.1.3), partially offset by the slight increase in the value of the Brazilian real and Polish zloty versus December 31, 2022.
In 2022, other comprehensive income after tax reflected both the significant increase in the value of the Brazilian real and, under other consolidated reserves and net income, the remeasurement of the net defined benefit liability following the strong increase in discount rates applied for the eurozone.

(4) The 2022 dividend distributed by Carrefour SA, totalling 405 million euros, was paid entirely in cash.
The 2021 dividend distributed by Carrefour SA, totalling 380 million euros, was paid entirely in cash.
Dividends paid to non-controlling interests mainly concern the Spanish and Brazilian subsidiaries for an amount of 70 million euros in 2023, and 127 million euros in 2022.

(5) The 800 million euro share buyback programme, authorised by the Shareholders' Meetings of June 3, 2022 and May 26, 2023, was implemented in 2023 in four 200 million euro buyback mandates, representing a total of 46,197,844 shares. Carrefour SA's share capital was reduced by cancelling 38,080,380 shares, including 26,887,362 shares on July 28, 2023 and 11,193,018 shares on October 25, 2023, representing a total of 682 million euros (see Note 2.5). Following cancellation of these shares, Carrefour SA has 17,609,525 treasury shares, representing approximately 2.5% of the share capital at December 31, 2023.
In 2022, a 750 million euro share buyback programme was launched in two tranches of 400 million euros and 350 million euros, corresponding to a total of 38,423,806 shares. Carrefour SA's share capital was subsequently reduced by cancelling 33,738,431 shares. Following cancellation of these shares, Carrefour SA had 11,544,870 treasury shares, representing approximately 1.6% of the share capital at December 31, 2022.

(6) On March 1, 2023, the Group launched Carrefour Invest, an international employee share ownership plan. The transaction resulted in a capital increase of 75 million euros (4,713,735 new ordinary shares) by Carrefour SA (see Note 2.6).

(7) In 2023, the effect of changes in the scope of consolidation and other movements mainly corresponds to the disposal of Carrefour Taiwan and to the creation of the entity Villes et Commerce in France in partnership with Nexity (see Note 2.1.2).
In 2022, the effect of changes in the scope of consolidation and other movements related mainly to the acquisition of Grupo BIG for the portion paid in newly issued Carrefour Brazil shares (see Note 2.1.1.3).

6.6 Notes to the consolidated financial statements

NOTE 1 BASIS OF PREPARATION OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements for the year ended December 31, 2023 were approved for publication by the Board of Directors on February 20, 2024. They will be submitted for final approval at the Annual Shareholders' Meeting.

Carrefour SA (the "Company") is domiciled in France at 93, avenue de Paris, 91300 Massy.

Carrefour is one of the world's leading food retailers (in terms of stores and e-commerce), operating in over 40 countries with an omni-channel model. The Group operates directly in eight countries, including six in Europe (France, Spain, Italy, Belgium, Poland and Romania) and two in Latin America (Brazil and Argentina), and has a network of integrated stores, stores under lease management contracts and franchised stores in a variety of formats (hypermarkets, supermarkets, convenience stores, club stores, cash & carry and soft discount). In the other geographies (especially the Middle East, Africa and Asia), the Group operates through local partners who are managing and expanding a network of stores under Carrefour banners. Carrefour also offers financial services to its customers in France, Spain, Belgium and Brazil (consumer credit and insurance).

The consolidated financial statements for the year ended December 31, 2023 reflect the financial position and results of operations of the Company and its subsidiaries (together "Carrefour" or the "Group"), along with the Group's share of the profits and losses and net assets of equity-accounted associates and joint ventures. The presentation currency of the consolidated financial statements is the euro, which is the Company's functional currency.

1.1 Statement of compliance

In accordance with European Regulation (EC) 1606/2002 dated July 19, 2002, the 2023 consolidated financial statements have been prepared in compliance with the International Financial Reporting Standards (IFRS) as adopted for use in the European Union as of December 31, 2023 and applicable at that date, with 2022 comparative information prepared using the same standards.

All of the standards and interpretations endorsed by the European Union are published in the Official Journal of the European Union, which can be accessed in the EUR-Lex.

At December 31, 2023, the standards and interpretations adopted for use in the European Union were the same as those published by the International Accounting Standards Board (IASB) and applicable at that date.

1.2 Changes in accounting policies

The accounting policies used to prepare the consolidated financial statements for the year ended December 31, 2023 are the same as those used for the 2022 consolidated financial statements, except for the following standard and amendments whose application is mandatory as of January 1, 2023:

- IFRS 17 – *Insurance Contracts;*
- Amendments to IFRS 17 – *Insurance Contracts: Initial Application of IFRS 17* and IFRS 9 – *Comparative Information*;
- Amendments to IAS 1 – *Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting Policies*;
- Amendments to IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates*;
- Amendments to IAS 12 – *Income Taxes: Deferred Tax related to Assets and Liabilities Arising from a Single Transaction*; *International Tax Reform – Pillar Two Model Rules*.

The application of IFRS 17 – *Insurance Contracts* had no impact on the Group's consolidated financial statements. The application of the amendments had no material impact on the Group's consolidated financial statements either.

ADOPTED BY THE EUROPEAN UNION BUT NOT YET APPLICABLE

Standards, amendments and interpretations	Effective date
Amendments to IAS 1 – *Presentation of Financial Statements: Classification of Liabilities as Current or Non-current; Non-current Liabilities with Covenants*	January 1, 2024
Amendments to IFRS 16 – *Leases: Lease Liability in a Sale and Leaseback*	January 1, 2024

NOT YET ADOPTED BY THE EUROPEAN UNION

Standards, amendments and interpretations	Effective date(1)
Amendments to IAS 7 – *Statement of Cash Flows* and IFRS 7 – *Financial instruments*: *Disclosures: Supplier Finance Arrangements*	January 1, 2024
Amendments to IAS 21 – *The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability*	January 1, 2025

(1) Subject to adoption by the European Union.

Carrefour does not expect the application of the above amendments to have a material impact on its consolidated financial statements.

1.3 Other regulatory developments

1.3.1 International Tax Reform – Pillar Two

France has transposed the Pillar Two international tax reform into its national law. As Carrefour SA is incorporated under French law, the reform is applicable to all jurisdictions in which the Group operates pursuant to Pillar Two rules. The impact of applying the reform is currently being analysed. The overall impact on the Group is not however thought to be material given the tax rates in the jurisdictions where the Group operates.

1.3.2 Pension reform in France

Following the enactment of France's amended social security financing law no. 2023-270 on April 15, 2023, the pension reform has been taken into account in determining provisions for defined benefit plans at December 31, 2023: the changes brought about by this reform have been analysed as a plan amendment within the meaning of IAS 19; the impact has been treated accordingly as a past service cost and therefore recognised in operating income.

1.3.3 Accrual of paid leave during a period of absence from work in France

Three rulings handed down by the French Supreme Court (*Cour de cassation*) on September 13, 2023 overturn French provisions on paid leave and absence from work, and confirm the principle that European Union (EU) law takes precedence over national law. These rulings improve employees' rights to paid leave while they are off work, and amendments are expected to the Labour Code in order to bring it into line with EU law.

Following this ruling, a provision was recognised at December 31, 2023 based on a retroactive period of three years. This provision was recorded in non-recurring income and expenses for prior years (2019 to 2022), and in recurring operating income for the portion relating to 2023 (see Note 6.3).

1.4 Use of estimates and judgement

Preparation of consolidated financial statements involves the use of Group Management estimates and assumptions that may affect the reported amounts of certain assets, liabilities, income and expenses, as well as the disclosures contained in the notes. These estimates and assumptions are reviewed at regular intervals by Group management to ensure that they are reasonable in light of past experience and the current economic situation. Depending on changes in those assumptions, actual results may differ from current estimates. In addition to using estimates, Group management exercises its judgement when determining the appropriate accounting treatment of certain transactions and activities and how it should be applied.

The estimates and judgements applied for the preparation of these consolidated financial statements mainly concern:

- measurement of rebates and commercial income (see Note 6.2.1);
- useful lives of operating assets (see Note 7);
- definition of cash-generating units (CGUs) for the purpose of impairment tests on non-current assets other than goodwill (see Note 7.3);
- measurement of the recoverable amount of goodwill, other intangible assets and property and equipment (see Note 7.3);
- measurement of right-of-use assets and lease commitments in accordance with IFRS 16 – *Leases* (see Note 8);
- measurement of impairment of loans granted by the financial services companies (see Notes 6.5.1 and 14.7.4.2) as well as provisions for credit risk on loan commitments (see Note 11.1);
- measurement of fair value of identifiable assets acquired and liabilities assumed in business combinations (see Note 3.1);
- recognition of deferred tax assets and some tax credits (see Note 10) and determination of uncertainties in income taxes under IFRIC 23;
- measurement of provisions for contingencies and other business-related provisions (see Note 11);
- assumptions used to calculate pension and other post-employment benefit obligations (see Note 12.1);
- determination of the level of control or influence exercised by the Group over investees (see Notes 3 and 9).

1.5 Seasonal fluctuations in business

Like those of other retailers, Carrefour's sales are subject to significant seasonal fluctuations, with the result that comparisons between the consolidated financial statements for the first and second halves of the year are not particularly meaningful. This is particularly the case for recurring operating income and cash flow generation between the two periods.

The Group's second-half sales are traditionally higher than those for the first half, due to increased activity in December. Most of the operating expenses on the other hand – such as payroll costs, depreciation and amortisation – are spread more or less evenly over the year. As a result, the Group's recurring operating income is generally lower in the first half than in the second.

Cash flows generated by the Group are also strongly impacted by seasonal trends, with working capital requirement rising sharply in the first half as a result of the large volume of supplier payments due at the beginning of the year for the purchases made ahead of the previous year's peak selling period in December.

1.6 Conflict in Ukraine

The Group does not do business in Ukraine, Russia or Belarus. It does not hold any assets or interests in entities in these countries, nor is it party to any franchise agreements. In addition, the Group's exposure to the Russian and Belarusian markets is not deemed to be material. The Group is not materially affected by the trade restrictions and sanctions imposed by certain governments on Russia.

However, the Group is impacted to some extent by the macro-economic consequences of the conflict, particularly due to the resulting energy price fluctuations, which have led to the recognition of higher energy costs in the financial statements since 2022.

The Group is closely monitoring the development of the conflict and its macroeconomic and potentially operational consequences, particularly in its integrated countries bordering Ukraine (Poland and Romania).

1.7 Climate change

The potential impacts of climate change are taken into account in the Group's strategic plan and risk management. In preparing these consolidated financial statements, the Group took these impacts into account in particular when reviewing the useful lives of property and equipment (see Note 7.2) and performing goodwill impairment tests (see Note 7.3).

In line with the goals set in 2015 by the Paris Climate agreement adopted by the COP21, Carrefour raised its objectives to limit global warming in 2021, setting itself the goal of achieving carbon-neutral stores by 2040 (Scopes 1 and 2) and achieving carbon-neutral e-commerce activities by 2030.

Carrefour has committed to reducing its CO_2 emissions for Scopes 1 and 2 by 30% by 2025, 50% by 2030 and 70% by 2040 (compared to 2019). These targets for integrated stores (Scopes 1 and 2) are aligned with a greenhouse gas (GHG) emissions reduction trajectory consistent with a "below 1.5°C" scenario. It should be noted that taking into account direct and indirect GHG emissions across Scopes 1, 2 and 3 combined, the Group's targets are aligned with a trajectory consistent with a "well below 2°C" scenario and have been validated by the Science Based Targets initiative.

To do this, the Group aims to reduce the CO_2 emissions produced by its operations at source as much as possible, through three 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:
  - The Group is therefore stepping up the process to equip its stores with photovoltaic systems (94 in Spain, 14 in France, 13 in Poland, nine in Brazil, six in Belgium and one in Italy at December 31, 2023).
  - In 2023, the Group signed four Physical Power Purchase Agreements (covering wind and solar farms) in France, which will produce around 100 GWh per year from 2024, equivalent to the power consumed by 29 hypermarkets. The Group will continue to accelerate the roll-out of these green energy contracts across all its geographies.
  - In addition, as part of the objective under the Carrefour 2026 strategic plan to produce almost one TWh of electricity per year from 2027 onwards in France, Spain and Brazil, Carrefour has selected a number of partners to produce solar power at more than 500 sites in France and has also begun the selection process to find operators in Spain. The first half of 2024 will be dedicated to finalising contractual frameworks for these partnerships.
- a 27.5% reduction in energy consumption by 2030 (2019 baseline). The investments made (in the form of operating and capital expenditure) will enable Carrefour to reduce energy consumption across the Group by 20% by 2026. Carrefour in France achieved its target of a 20% reduction by 2023. The Group is seeking to improve energy efficiency through six priority action and technology recommendations for its stores: renovation of commercial cooling systems, doors for refrigeration units, use of electronic speed controllers, use of divisional meters, low consumption LED lighting and technical building management (focused on air conditioning, ventilation and heating);
- a reduction in emissions from refrigerant use. Carrefour is committed to phasing out HFC refrigeration units and phasing in systems using natural refrigerants (CO_2), 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: by the end of 2023, implementation was in line with the targets set for 2030 in Europe.

1.8 Measurement bases

The consolidated financial statements have been prepared using the historical cost convention, except for:

- certain financial assets and liabilities measured using the fair value model (see Note 14);
- assets acquired and liabilities assumed in business combinations, measured using the fair value model (see Note 3.1);
- assets acquired through exchange, assessed at fair value if the exchange has commercial substance and if it is possible to reliably measure the fair value of the asset received or sold (see Notes 7.2 and 7.4);
- non-current assets held for sale, measured at the lower of their carrying amount and fair value less costs to sell.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. In accordance with the hierarchy defined in IFRS 13 – *Fair Value Measurement*, there are three levels of inputs:

- level 1 inputs: unadjusted quoted prices in active markets for identical assets or liabilities;
- level 2 inputs: models that use inputs that are observable for the asset or liability, either directly (i.e., prices) or indirectly (i.e., price-based data);
- level 3 inputs: inputs that are intrinsic to the asset or liability and are not based on observable market data for the asset or liability.

Argentina is classified as a hyperinflationary economy within the meaning of IFRS. IAS 29 – *Financial Reporting in Hyperinflationary Economies* is therefore applicable to the consolidated financial statements for the year ended December 31, 2023; data for the comparative period presented have also been adjusted for inflation.

NOTE 2 SIGNIFICANT EVENTS OF THE YEAR

2.1 Changes in scope of consolidation in 2023

2.1.1 Acquisitions in 2023

2.1.1.1 Main acquisitions completed in 2023

CORA BANNER (ROMANIA) – BUSINESS COMBINATION

In April 2023, Carrefour entered into an agreement with the Louis Delhaize group to acquire its activities in Romania, including ten Cora hypermarkets and nine Cora Urban stores, with almost 2,400 employees. This transaction will consolidate Carrefour's presence in Romania, with hypermarkets in prime locations that will be converted to the Carrefour formats and banner.

After receiving clearance from the local competition authority, the acquisition was completed on October 31, 2023 for non-material price.

In accordance with IFRS 3 – Business Combinations, following the Group's preliminary measurement of the assets acquired and liabilities assumed at the acquisition date, provisional goodwill in the amount of 3 million euros was recognised in the consolidated statement of financial position at December 31, 2023 in respect of the Cora acquisition in Romania.

2.1.1.2 Main acquisitions in progress at December 31, 2023

CORA AND MATCH BANNERS (FRANCE)

On July 12, 2023, Carrefour announced that it had entered into an agreement with the Louis Delhaize group to acquire the Cora and Match banners in France, which operate 60 hypermarkets and 115 supermarkets respectively, and employ some 24,000 people. This acquisition will enable the Group to reaffirm its leadership in food retail in France, with the acquired stores offering a very strong geographical fit with Carrefour, particularly in the east and north of the country.

The transaction values the acquired assets on the basis of an enterprise value of 1.05 billion euros and will be paid entirely in cash. Subject to certain customary conditions, particularly approval by the French competition authority, the transaction is expected to close in the summer of 2024.

STORES OPERATING UNDER THE SUPERCOR BANNER (SPAIN)

On September 20, 2023, Carrefour Spain reached an agreement with El Corte Inglés to acquire 47 supermarkets and convenience stores under the Supercor banner, employing around 850 people.

This transaction values the acquired assets on the basis of an enterprise value of 60 million euros and is expected to be completed by June 30, 2024.

2.1.1.3 Follow-up to the acquisition of Grupo BIG (Brazil) in 2022 – reduction in purchase price and final opening balance sheet

On March 24, 2021, Carrefour Brazil entered into an agreement with Advent International and Walmart for the acquisition of Grupo BIG, Brazil's third biggest food retailer. The acquiree reported net sales of around 20 billion Brazilian reals (approximately 3.1 billion euros) in 2021 and operates a multi-format network of 388 stores, including 181 owned stores.

Carrefour Brazil's Extraordinary Shareholders' Meeting and CADE, the Brazilian competition authority, approved this transaction on May 19, 2022 and May 25, 2022, respectively (subject to the disposal of 14 stores which took effect before June 30, 2023).

The acquisition was finalised on June 1, 2022, with payment made on June 6, 2022.

The preliminary purchase price for the entire share capital of Grupo BIG was 7,465 million Brazilian reals (1,471 million euros at the exchange rate as of the transaction date), which broke down as follows:

- a cash payment of 5,292 million Brazilian reals (approximately 1 billion euros), representing 70% of the baseline price plus various preliminary earn-outs for 42 million Brazilian reals (approximately 8 million euros), including 900 million Brazilian reals (139 million euros) paid as part of a downpayment in March 2021;
- a share-based payment of 117 million new Carrefour Brazil shares (representing 30% of the baseline price), with a fair value of 2,173 million Brazilian reals (approximately 430 million euros) at June 6, 2022.

As this was a transaction with minority shareholders, the impact of paying for 30% of Grupo BIG in Carrefour Brazil shares was recognised in consolidated equity for approximately 180 million euros attributable to the Carrefour group and approximately 250 million euros attributable to non-controlling interests.

The agreement also provided for an earn-out that would have been paid six months after completion of the transaction if the Carrefour Brazil share price had exceeded the reference value of 19.26 Brazilian reals. No earn-out was paid in 2022, as the price of the Carrefour Brazil share was 15.10 Brazilian reals at December 6, 2022.

Developments in 2023

Discussions between the sellers (Advent International and Walmart) and the buyer (Carrefour Brazil) under the terms of the Grupo BIG acquisition contract led the parties to agree on a firm price reduction of 900 million Brazilian reals (paid in two instalments of 350 and 550 million Brazilian reals respectively) and a potential further reduction of up to 100 million Brazilian reals.

This agreement was signed on March 31, 2023 with the following two conditions precedent:

- immediate payment of the first tranche of 350 million Brazilian reals (317 million Brazilian reals after minor adjustments);
- provision by the sellers of a first demand guarantee from a leading bank.

The agreement was finalised on April 11, 2023 following the satisfaction of both conditions precedent.

In addition to the 350 million Brazilian reals paid on April 11, 2023, the agreement mainly provides for the following price reductions:

- a second tranche of 550 million reals was to be paid 60 days after the publication of Carrefour Brazil's 2023 annual consolidated financial statements. The 550 million reals, which bear interest at SELIC rates calculated as from April 11, 2023 were paid in full in August 2023;
- an additional variable receivable of up to 100 million Brazilian reals, calculated using a metric agreed by the stakeholders. This top-up also bears interest at SELIC rates calculated as from April 11, 2023.

The acquisition price for Grupo BIG is 6,687 million Brazilian reals (or 1,318 million euros at the exchange rate on the transaction date), after discounting to present value the 900 million Brazilian real price reduction at June 1, 2022.

Carrefour Brazil also increased the provisions set aside for labour and tax risks (net of associated deferred tax) by a non-material amount of 33 million Brazilian reals.

In accordance with IFRS 3 – *Business Combinations*, the price reduction and other adjustments occurring within 12 months of the acquisition's closing are recognised retrospectively in Grupo BIG's opening balance sheet with an offsetting adjustment to goodwill (see Note 4 for more details on the restatement of the consolidated statement of financial position at December 31, 2022).

Grupo BIG's final opening balance sheet at June 1, 2022, as included in the Group's consolidated financial statements as from June 30, 2023, is as follows:

ASSETS

(in millions of reals)	Reference	Opening balance sheet (Net Book Value)	Fair Value adjustments	Preliminary opening balance sheet (Fair Value)	Price reduction and others adjustments	Final opening balance sheet (Fair Value)	Final opening balance sheet *(in millions of euros)*
Goodwill	(a)	220	4,556	4,776	(745)	4,031	795
Other intangible assets	(e)	265	263	527		527	104
Property and equipment	(c)	4,887	5,033	9,920		9,920	1,955
Right-of-use assets	(b)	2,465	(22)	2,443		2,443	482
Other non-current financial assets	(f)	586		586		586	116
Deferred tax assets	(g)	2,407	(2,407)	–		-	-
Other non-current assets	(h)	3,095	(1,108)	1,987		1,987	392
Non-current assets		**13,925**	**6,315**	**20,240**	**(745)**	**19,495**	**3,843**
Inventories	(j)	2,955	(168)	2,787		2,787	549
Trade receivables	(l)	702		702		702	138
Other current financial assets	(l)	77		77		77	15
Tax receivables	(l)	513		513		513	101
Other current assets	(k)	204	(20)	184		184	36
Cash and cash equivalents	(l)	317		317		317	62
Assets held for sale	(i)	–	323	323		323	64
Current assets		**4,769**	**135**	**4,904**	**–**	**4,904**	**966**
TOTAL ASSETS		**18,694**	**6,450**	**25,144**	**(745)**	**24,399**	**4,810**

SHAREHOLDERS' EQUITY AND LIABILITIES

(in millions of reals)	Reference	Opening balance sheet (Net Book Value)	Fair Value adjustments	Preliminary opening balance sheet (Fair Value)	Price reduction and others adjustments	Final opening balance sheet (Fair Value)	Final opening balance sheet *(in millions of euros)*
Total shareholders' equity		**8,859**	**(1,394)**	**7,465**	**(778)**	**6,687**	**1,318**
Lease commitments – portion more than one year	(b)	2,598	(292)	2,306		2,306	454
Provisions	(d)	2,528	8,058	10,586	27	10,613	2,092
Deferred tax liabilities	(g)	150	61	211	6	217	43
Non-current liabilities		**5,276**	**7,827**	**13,103**	**33**	**13,136**	**2,589**
Borrowings – portion less than one year	(l)	982		982		982	194
Lease commitments – portion less than one year	(b)	196	(124)	72		72	14
Suppliers and other creditors	(k)	2,617	139	2,756		2,756	543
Tax payables – portion less than one year	(l)	96		96		96	19
Other current payables	(k)	667		667		667	131
Current liabilities		**4,558**	**15**	**4,573**	**-**	**4,573**	**901**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES		**18,694**	**6,450**	**25,144**	**(745)**	**24,399**	**4,810**

The purchase price allocation process stipulated in IFRS 3 was implemented and led to the recognition of final goodwill (a) in an amount of 795 million euros in the consolidated financial statements at December 31, 2023 (amount of goodwill finalised in the half-year consolidated financial statements at June 30, 2023).

Grupo BIG's final opening balance sheet has been prepared based on the following:

(b) measurement of right-of-use assets and related lease commitments of the stores leased by Grupo BIG, taking into account the reasonably certain term of the leases in application of the rules defined by the Group (see Note 8 to the 2022 consolidated financial statements);

(c) fair value measurement (determined on the basis of the market value of similar assets) of land and store premises owned by the company;

(d) significant increase in provisions following analyses of litigation and contingent liabilities (recognised in accordance with IFRS 3) by the Brazilian subsidiary and its advisors in 2022. The increase provides, in particular, for tax and labour risks (see Note 11 to the 2022 consolidated financial statements);

(e) recognition and measurement of acquired brands (Maxxi, BIG, Bompreço, Nacional and Todo Dia) and their indefinite useful lives;

(f) continued recognition of other non-current financial assets at their net carrying amount, mainly relating to legal deposits paid in connection with disputes;

(g) impairment of all deferred tax assets (before deferred tax effects relating to fair value adjustments to assets and liabilities) of legal entities within Grupo BIG due to the lack of taxable profits in recent years;

(h) partial impairment of other non-current assets, consisting mainly of ICMS and PIS-COFINS tax credits, following an analysis of the possible future use and validity of the credits;

(i) classification as assets held for sale of the 14 stores to be disposed of in accordance with CADE's decision. These stores were sold in 2022 and first-half 2023;

(j) standardised accounting practices for inventories in order to incorporate all components of the purchase cost of goods sold and to take into account the rebates and commercial income negotiated with suppliers in accordance with the rules defined by the Group (see Note 6.4 to the 2022 consolidated financial statements). A portion of the value of inventories has also been written down in order to reflect their fair value;

(k) standardised accounting practices for other current assets/liabilities and suppliers and other creditors;

(l) continued recognition of other assets and liabilities at their net carrying amount (including trade receivables, other current financial assets, cash and cash equivalents and borrowings, tax receivables and payables).

2.1.2 Partnerships in 2023

CREATION OF THE ENTITY UNLIMITAIL IN PARTNERSHIP WITH PUBLICIS GROUPE

On November 8, 2022, the Carrefour group and Publicis Groupe announced their intention to create a joint entity in the fast-growing retail media market in continental Europe and Latin America. On June 15, 2023, this intention became a reality with the announcement of the launch of Unlimitail (51% owned by Carrefour and 49% by Publicis). The company has been fully consolidated in the Carrefour group's financial statements since that date.

Unlimitail will partner with retailers and brands, bringing retail expertise and connectivity to these regions. Unlimitail combines one of Publicis' most advanced technologies, "CitrusAd powered by Epsilon", with Carrefour Links' in-depth knowledge of retail media.

CREATION OF THE ENTITY VILLES ET COMMERCES IN FRANCE IN PARTNERSHIP WITH NEXITY

One of the objectives of the Carrefour 2026 strategic plan is to enhance the Group's real estate assets in France through the development of mixed-use real estate projects. To that end, on July 6, 2023, the Group announced that it has joined forces with Nexity to develop 76 sites covering all Carrefour Retail formats (hypermarkets, supermarkets and convenience stores). This long-term partnership will enable Carrefour and Nexity to develop mixed-use programmes with high environmental performance for housing, serviced residences, retail outlets, offices and hotels.

On November 30, 2023, the Villes et Commerces property venture (80% owned by Carrefour and 20% by Nexity) was created to hold the land following an initial contribution of 69 sites by Carrefour and 39 million euros in cash by Nexity. As this was a transaction with a minority shareholder, its impact was recognised in consolidated shareholders' equity in an amount of 18 million euros net of transaction costs.

The remaining seven sites will be contributed to the venture in 2024.

2.1.3 Disposals effective in 2023

SALE OF CARREFOUR TAIWAN

On July 19, 2022, the Group signed an agreement to sell its entire interest in its Taiwanese subsidiary (i.e., 60%) to the Uni-President group (holder of the remaining 40%). As the applicable conditions precedent were met, particularly clearance from the local competition authority obtained in May 2023, this agreement resulted in loss of control of the subsidiary on June 30, 2023.

The preliminary sale price is 31.1 billion New Taiwan dollars, representing 1.0 billion euros (after taking account of currency hedging). The disposal gain, amounting to approximately 0.75 billion euros, was recognised within net income from discontinued operations. This is because Carrefour Taiwan represents a separate major geographic area of operations and has therefore been treated as a discontinued operation in accordance with IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations* since the date its disposal was announced.

As a reminder, on March 14, 2022, a fire broke out in a logistics centre leased by Carrefour in the Yang Mei district of Taiwan. A claim was submitted to the Group's insurance companies in this respect. Losses incurred as a result of destroyed inventories and equipment were recorded in 2022 against the payout receivable from insurers classified under other current assets. The same applies to the estimated operating losses for 2022 and first-half 2023. In June 2023, further to their final conclusions, the Group's insurance companies paid the balance of the compensation recognised for the damage incurred, after deducting the two instalments already paid last year. The related impacts are recorded in net income from discontinued operations for the periods concerned.

DISPOSAL OF THE ENTITY QUITOQUE (FRANCE)

Quitoque, a specialist in home-delivered meal kits acquired by Carrefour Omnicanal in 2018, was sold to Terence Capital on October 31, 2023. The disposal loss net of transaction costs amounted to 13 million euros and was recognised in non-recurring items for 2023.

2.1.4 Closure of unprofitable former Grupo BIG stores (Brazil)

CLOSURE OF THE TODO DIA BANNER

In December 2023, the Group decided to close the 94 soft discount stores operated under the Todo Dia banner (acquired in 2022 at the time of the Grupo BIG acquisition) due to unprofitability. The assets of the directly-owned stores (around 50% of the total) are in the process of being sold to various buyers outside of the food retail sector.

CLOSURE OF HYPERMARKETS AND SUPERMARKETS OPERATING UNDER THE BOMPREÇO AND NACIONAL BANNERS

In December 2023, the Group also decided to close 16 hypermarkets (acquired in 2022 at the time of the Grupo BIG acquisition and since converted to Carrefour stores) and 13 supermarkets (acquired in 2022 at the time of the Grupo BIG acquisition and operated under the Bompreço and Nacional banners) due to unprofitability. The assets of the directly-owned stores (around a third of the total) are in the process of being sold to various buyers.

CLASSIFICATION AS ASSETS HELD FOR SALE

In accordance with IFRS 5, at December 31, 2023 the assets of 122 of the above-mentioned 123 stores were classified within "Assets held for sale" and measured at the lower of their net carrying amount and fair value less costs to sell. An impairment loss of around 540 million Brazilian reals (around 100 million euros) was recognised in non-recurring items in 2023 to bring the value of the assets into line with their estimated market prices.

In accordance with Group accounting policies, other costs associated with these closures have also been recognised in non-recurring items for approximately 310 million Brazilian reals (approximately 60 million euros).

2.1.5 Sale and leaseback transactions in 2023

SALE AND LEASEBACK TRANSACTION (BRAZIL)

On May 12, 2023, Carrefour Brazil announced that it had entered into exclusive negotiations with Barzel, a real estate investment and asset management company, with a view to the sale and leaseback of five stores and four warehouses, for a total of approximately 1.2 billion Brazilian reals i.e., approximately 220 million euros.

CADE, the Brazilian competition authority, approved the transaction on June 12, 2023.

With negotiations on the agreements finalised and the other conditions precedent satisfied, these assets have been leased to Carrefour since June 30, 2023 (date of the transaction's completion and the signing of the leases for fixed 20-year terms, with a five-year renewal option). This transaction led to the recognition of around 10 million euros in non-recurring income.

SALE AND LEASEBACK TRANSACTION (SPAIN)

On December 1, 2023, the premises of six Spanish hypermarkets were sold to the property company Realty Income, with disposal proceeds net of transaction costs representing 114 million euros.

With negotiations on the agreements finalised and the other conditions precedent satisfied, these assets have been leased to Carrefour since December 1, 2023 (date of the transaction's completion and the signing of the leases for fixed ten-year terms, with three five-year renewal options). This transaction led to the recognition of non-recurring income in an amount that was close to zero.

As a reminder, the premises of 16 other Spanish hypermarkets had previously been sold and subsequently leased back to the same buyer (Realty Income) as from 2020 as part of sale and leaseback arrangements.

2.2 Simplification of the organisation as part of the transformation plan

On November 8, 2022, the Group presented its new strategic plan, Carrefour 2026, to accelerate its transformation, following on from its previous strategic plan. The plan draws on the Group's *raison d'être*, its commitment to the food transition for all, and its digital-driven omni-channel model. The Carrefour 2026 plan has two pillars:

- commitment to making the best accessible to all our customers;
- building a cutting-edge Group.

The second pillar involves transforming our organisational structure in order to optimise our internal operations by leveraging digitalisation.

In early June 2023, Carrefour France initiated a dialogue process with its employee representatives concerning a transformation project for its various French headquarters, with the aim of safeguarding competitiveness over the long term, boosting performance and agility and simplifying the organisation, all of which will benefit our stores. The proposed new organisational structure was presented to the employee representatives on June 26, 2023. At that time, Carrefour confirmed that the collective contractual termination agreement (*Rupture Conventionnelle Collective*) currently under discussion with the employee representatives will involve a maximum of 979 departures, on a strictly voluntary basis. Following four negotiation sessions, the *Rupture Conventionnelle Collective* was signed on July 12, 2023 by the trade unions representing a large majority of the employees concerned.

The amount of the related provision recognised in the consolidated financial statements for the six-month period ended June 30, 2023 was calculated based on various assumptions and represented the best estimate of the costs that the Group expected to incur in relation to the plan (see Note 6.3). This transformation plan was rolled out in the second half of 2023. The related provision still to be recognised at December 31, 2023 will cover costs that will mostly be disbursed in 2024.

2.3 Securing the Group's long-term financing

In 2023, the Group carried out two new Sustainability-Linked Bond issues, indexed to two greenhouse gas emission targets:

- a 500 million euro issue on May 2, 2023, maturing in seven and a half years (due in October 2030) and paying a coupon of 3.75%;
- a 750 million euro issue on November 7, 2023, maturing in eight years (due in November 2031) and paying a coupon of 4.375%.

These bonds were issued as part of a financing strategy aligned with the Group's CSR objectives and ambitions as well as the Sustainability-Linked Bond Framework of its Euro Medium-Term Notes (EMTN) programme published in June 2021, whose CSR component was revised and enhanced in May 2022.

In addition, on June 12, 2023, the Group redeemed 500 million euros worth of 0.88% five-year bonds. On June 14, 2023, the Group subsequently redeemed 500 million US dollars' worth of convertible, non-dilutive 0% six-year bonds.

These transactions guarantee the Group's liquidity over the short and medium term in an unstable economic environment, and are part of the strategy to ensure the necessary financing is in place to meet Carrefour's needs. The average maturity of Carrefour SA's bond debt was 3.8 years at end-December 2023, compared with 3.6 years at end-December 2022.

FINANCING OF THE BRAZILIAN SUBSIDIARY ATACADÃO

Following on from the 2021 and 2022 transactions, Carrefour's Brazilian subsidiary Atacadão has set up financing arrangements in 2023 enabling it to secure its medium- and long-term needs.

a. Bonds and notes

On April 27, 2023, Atacadão redeemed debenture-type debt representing 500 million Brazilian reals (approximately 93 million euros at the December 31, 2023 exchange rate) maturing in five years and paying a coupon of 105.75% of the CDI (*Certificado de Depósito Interbancário*) rate.

Conversely, on June 2, 2023, the Brazilian subsidiary issued simple unsecured, non-convertible debentures (*Certificado de Recebíveis do Agronegócio* – CRA) for an amount of 930 million Brazilian reals (approximately 174 million euros at the December 31, 2023 exchange rate) in three series:

- an initial series for 330 million Brazilian reals, with a coupon of CDI +0.95% and a maturity of three years;
- a second series for 468 million Brazilian reals, representing a coupon of 111.20% of the CDI after hedging and a maturity of four years;
- a third series for 132 million Brazilian reals, with a coupon of CDI +1.00% and a maturity of five years.

b. Bank loans covered by Brazil's law 4131/1962

US dollar bank financing facilities were finalised on January 10, 2023 and immediately swapped for a total of 2,293 million Brazilian reals. On December 20, 2023, Atacadão repaid the financing falling due and, the same day, renewed these euro and US dollar bank facilities, which were immediately swapped for a total of 2,323 million Brazilian reals (approximately 434 million euros at the December 31, 2023 exchange rate), with maturities ranging from 12 to 24 months.

On April 14, 2023, new euro- and US-dollar bank financing facilities with a two-year maturity were put in place, immediately swapped for a total of 744 million Brazilian reals, which enabled a bank loan maturing on the same date to be repaid. The repaid loan amounted to 750 million Brazilian reals.

Two bank loans matured in May 2023: one of 793 million Brazilian reals on May 5 and one of 568 million Brazilian reals on May 8 (approximately 254 million euros at the December 31, 2023 exchange rate). In June 2023, two other bank loans were repaid, one on June 5 for an amount of 1,014 million Brazilian reals and one on June 7 for an amount of 568 million Brazilian reals (approximately 296 million euros at the December 31, 2023 exchange rate). On September 20, 2023, two other bank financing facilities were repaid in an amount of 527 million Brazilian reals (approximately 99 million euros at the December 31, 2023 exchange rate).

c. Inter-company financing

As a reminder, in 2022, two inter-company financing lines were set up between the companies Carrefour Finance and Atacadão:

- The first revolving credit facility (RCF) for an amount of 4 billion Brazilian reals bearing annual interest at 12% fell due in July 2023;
- The second RCF for 1.9 billion Brazilian reals, bearing annual interest at 14.25%, has a maturity of three years.

In 2023, another inter-company financing line was set up between the companies Carrefour Finance and Atacadão:

- The third RCF for 6.3 billion Brazilian reals (approximately 1.2 billion euros at the December 31, 2023 exchange rate), bearing annual interest at 14.95%, has a three-year maturity and was drawn for 2.3 billion Brazilian reals in the first half of 2023. The remaining 4 billion Brazilian reals were drawn down in July 2023 to refinance the first RCF, which fell due and was repaid.

These intra-group RCF loans, totalling 8.2 billion Brazilian reals at December 31, 2023, are qualified as net investments in foreign operations and are therefore remeasured at fair value through equity. They are hedged in an amount of 4.1 billion Brazilian reals by derivatives classified as net investment hedges.

At December 31, 2023, the Group was rated BBB with a stable outlook by Standard & Poor's and Baa1 with a stable outlook by Moody's.

2.4 Payment of the 2022 dividend in cash

At the Shareholders' Meeting held on May 26, 2023, the shareholders decided to set the 2022 dividend at 0.56 euros per share to be paid entirely in cash.

On June 8, 2023, the dividend was paid out in an amount of 405 million euros.

2.5 Share buyback program

As part of its share capital allocation policy, the Group commissioned investment services providers to buy back shares corresponding to a maximum amount of 800 million euros for 2023, as authorised by the Shareholders' Meetings of June 3, 2022, and May 26, 2023. The objective of the share buybacks is to allow the Group to hold the shares with a view to cancelling them subsequently.

The first share buyback mandate began on February 27, 2023 and ended on March 31, 2023, with 11,099,084 shares acquired at an average price of 18.02 euros per share for a total amount of 200 million euros.

The second share buyback mandate began on May 2, 2023 and ended on July 21, 2023, with 11,687,580 shares acquired at an average price of 17.11 euros per share for a total amount of 200 million euros.

On July 26, 2023, the Board of Directors, pursuant to the authorisation granted by the Extraordinary Shareholders' Meeting of May 26, 2023, decided to decrease the share capital of Carrefour SA by cancelling 26,887,362 treasury shares (including the last shares not yet cancelled, i.e., 4,685,375 shares acquired under the 2022 share buyback programme), representing approximately 3.6% of the share capital. These shares were cancelled on July 28, 2023.

The third share buyback mandate began on August 1, 2023 and ended on September 12, 2023, with 11,370,337 shares acquired at an average price of 17.59 euros per share for a total amount of 200 million euros.

The fourth share buyback mandate began on October 2, 2023 and ended on November 30, 2023, with 12,040,843 shares acquired at an average price of 16.61 euros per share for a total amount of 200 million euros.

On October 25, 2023, the Board of Directors, pursuant to the authorisation granted by the Extraordinary Shareholders' Meeting of May 26, 2023, decided to decrease the share capital of Carrefour SA by way of cancellation of 11,193,018 treasury shares representing approximately 1.6% of the share capital. These shares were cancelled on that day.

At December 31, 2023, Carrefour SA had 708,790,816 shares outstanding and, consequently, 17,609,525 treasury shares, representing 2.5% of the share capital.

2.6 Employee share ownership plan

On March 1, 2023, the Group launched Carrefour Invest, an international employee share ownership plan. Two options were offered: Carrefour Classic and Carrefour Secure. The reservation period ran from March 1 to March 20, 2023 and the subscription/revocation period from May 5 to May 9, 2023, with the shares delivered on May 31, 2023. As part of the offer, beneficiaries subscribed to Carrefour shares either directly or through a Company mutual fund (FCPE), depending on the option chosen and/or their country of residence. Shareholders must hold directly-subscribed shares or FCPE units until May 31, 2028 (inclusive), unless an early release event occurs.

The offer entitled employees to a 15% discount on the share price and an employer contribution. The reference price communicated on May 3, 2023 was 18.67 euros (average of the closing prices over the previous 20 days). After application of the 15% discount, the subscription price of the shares for both options stood at 15.87 euros per share.

The operation resulted in a Carrefour SA capital increase of 75 million euros (4,713,735 new ordinary shares) and the recognition of an operating expense of approximately 30 million euros in respect of the discount and the employer contribution.

NOTE 3 SCOPE OF CONSOLIDATION

3.1 Accounting principles

Basis of consolidation

The consolidated financial statements include the financial statements of subsidiaries from the date of acquisition (the date when the Group gains control) up to the date when the Group ceases to control the subsidiary, and the Group's equity in associates and joint ventures accounted for by the equity method.

(i) Subsidiaries

A subsidiary is an entity over which the Group exercises control, directly or indirectly. An entity is controlled when the Group is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The Group considers all facts and circumstances when assessing whether it controls an investee, such as rights resulting from contractual arrangements or substantial potential voting rights held by the Group.

The profit or loss of subsidiaries acquired during the year is included in the consolidated financial statements from the date when control is acquired. The profit or loss of subsidiaries sold during the year or that the Group ceases to control, is included up to the date when control ceases.

Intra-group transactions and assets and liabilities are eliminated in consolidation. Profits and losses on transactions between a subsidiary and an associate or joint venture accounted for by the equity method are included in the consolidated financial statements to the extent of unrelated investors' interests in the associate or joint venture.

(ii) Associates and joint ventures

Entities in which the Group exercises significant influence (associates), and entities over which the Group exercises joint control and that meet the definition of a joint venture, are accounted for by the equity method, as explained in Note 9 "Investments in equity-accounted companies".

Significant influence is the power to participate in the financial and operating policy decisions of the investee but is not control or joint control of those policies.

Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

(iii) Other investments

Investments in companies where the Group does not exercise control, joint control or significant influence over financial or operating policy decisions are qualified as either financial assets at fair value through other comprehensive income (irrevocable option at initial recognition, which is usually elected by the Group) or financial assets at fair value through profit or loss. In all cases, they are reported under "Other non-current financial assets". The accounting treatment of these investments is described in Note 14 "Financial assets and liabilities, finance costs and other financial income and expenses".

Business combinations

Business combinations, where the set of activities and assets acquired meets the definition of a business and where the Group obtains control of them, are accounted for by the purchase method.

As from January 1, 2020, to be considered a business, an acquired set of activities and assets must include, at a minimum, an input and a substantive process that together significantly contribute to the ability to create outputs. The Group may elect to apply a concentration test that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

If the acquired set of activities and assets does not constitute a business, the transaction is recognised as an asset acquisition.

Business combinations carried out since January 1, 2010 are measured and recognised as described below, in accordance with the revised IFRS 3 – *Business Combinations*.

- As of the acquisition date, the identifiable assets acquired and liabilities assumed are recognised and measured at fair value.
- Goodwill corresponds to the excess of (i) the sum of the consideration transferred (i.e., the acquisition price) and the amount of any non-controlling interest in the acquiree, over (ii) the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. It is recorded directly in the statement of financial position of the acquiree, in the latter's functional currency, and is subsequently tested for impairment at the level of the operating segment to which the acquiree belongs, by the method described in Note 7.3. Any gain from a bargain purchase (i.e., negative goodwill) is recognised directly in profit or loss.

- For each business combination on a less than 100% basis, the acquisition date components of non-controlling interests in the acquiree (i.e., interests that entitle their holders to a proportionate share of the acquiree's net assets) are measured at either:
  - fair value, such that part of the goodwill recognised at the time of the business combination is allocated to non-controlling interests ("full goodwill" method), or
  - the proportionate share of the acquiree's identifiable net assets, such that only the goodwill attributable to the Group is recognised ("partial goodwill" method).

The method used is determined on a transaction-by-transaction basis.

- The provisional amounts recognised for a business combination may be adjusted during a measurement period that ends as soon as the Group receives the information it needs at the latest 12 months from the acquisition date. Adjustments during the measurement period to the fair value of the identifiable assets acquired and liabilities assumed or the consideration transferred are offset by a corresponding adjustment to goodwill, provided they result from facts and circumstances that existed as of the acquisition date. Any adjustments identified after the 12-month measurement period or not resulting from new information about facts and circumstances that existed at the acquisition date are recognised directly in profit or loss.
- For a business combination achieved in stages (step acquisition), when control is acquired the previously held equity interest is remeasured at fair value through profit or loss. In the case of a reduction in the Group's equity interest resulting in a loss of control, the remaining interest is also remeasured at fair value through profit or loss.
- Transaction costs are recorded directly as an operating expense for the period in which they are incurred.

At the IFRS transition date, the Group elected to maintain the accounting treatment for business combinations applied under previous accounting standards, in line with the option available to first-time adopters under IFRS 1 – *First-time Adoption of International Financial Reporting Standards*.

Changes in ownership interest not resulting in a change of control

Any change in the Group's ownership interest in a subsidiary that does not result in control being acquired or lost is qualified as a transaction with owners in their capacity as owners and recorded directly in equity in accordance with IFRS 10 – *Consolidated Financial Statements*. It is shown in cash flows from financing activities in the statement of cash flows.

Translation of the financial statements of foreign operations

The consolidated financial statements are presented in euros.

An entity's functional currency is the currency of the primary economic environment in which the entity operates. The functional currency of Group entities is the currency of their home country.

The financial statements of entities whose functional currency is not the euro and is not the currency of a hyperinflationary economy are translated into euros as follows:

- assets and liabilities are translated at the period-end closing rate;
- income and expenses are translated at the weighted average exchange rate for the period;
- all resulting exchange differences are recognised in other comprehensive income and are taken into account in the calculation of any gain or loss realised on the subsequent disposal of the foreign operation;
- items in the statement of cash flows are translated at the average rate for the year unless the rate on the transaction date is materially different.

Argentina has been classified as a hyperinflationary economy within the meaning of IAS 29 – *Financial Reporting in Hyperinflationary Economies* since 2018. In accordance with this standard:

- non-monetary assets and liabilities are restated by applying a general price index;
- all local currency items in the income statement and statement of other comprehensive income are restated by applying the change in the general price index from the dates when the items of income and expenses were initially recorded in the financial statements;
- the statement of financial position, income statement and statement of comprehensive income are translated into euros at the closing rate for the reporting period;
- the restatement of reserves for the indexation of Argentinean equity items is presented in exchange differences on translating foreign operations in the statement of comprehensive income and in the translation reserve in the statement of changes in consolidated equity;
- items in the statement of cash flows are translated at the average rate for the year unless the rate on the transaction date is materially different (see Note 6.4).

Translation of foreign currency transactions

Transactions by Group entities in a currency other than their functional currency are initially translated at the exchange rate on the transaction date.

At each period-end, monetary assets and liabilities denominated in foreign currency are translated at the period-end closing rate and the resulting exchange gain or loss is recorded in the income statement.

Intra-group loans to certain foreign operations are treated as part of the net investment in that operation if settlement of the loan is neither planned nor likely to occur. The gain or loss arising from translation of the loan at each successive period-end is recorded directly in "Other comprehensive income" in accordance with IAS 21 – *The Effects of Changes in Foreign Exchange Rates*.

Non-current assets and disposal groups held for sale and discontinued operations

If the Group expects to recover the carrying amount of a non-current asset (or disposal group) principally through a sale transaction rather than through continuing use, it is presented separately in the consolidated statement of financial position under "Assets held for sale" in accordance with IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*. Liabilities related to non-current assets held for sale are also reported on a separate line of the consolidated statement of financial position (under "Liabilities related to assets held for sale"). Following their classification as held for sale, the assets concerned are measured at the lower of their carrying amount and fair value less costs to sell and they cease to be depreciated or amortised.

All the assets and liabilities of the discontinued operation are presented on separate lines on each side of the statement of financial position after eliminating intra-group items.

A discontinued operation is a component of an entity that has been either disposed of or classified as held for sale, and:

- represents a separate major line of business or geographical area of operations; or
- is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

A component is a cash-generating unit or a group of cash-generating units when held for use.

It is classified as a discontinued operation at the time of sale or earlier if its assets and liabilities meet the criteria for classification as held for sale. When a component of an entity is classified as a discontinued operation, comparative income statement and cash flow information is restated as if the entity had met the criteria for classification as a discontinued operation on the first day of the comparative period.

3.2 Main changes in scope of consolidation

3.2.1 Changes in 2023

The main transactions in 2023 are detailed in Note 2.1 and include the disposal of Carrefour Taiwan and Quitoque in France, the acquisition of the Cora banner in Romania, the creation of companies in partnership with Publicis Groupe and Nexity, the closure of unprofitable former Grupo BIG stores in Brazil, and sale and leaseback transactions in Brazil and Spain.

On July 12, 2023, Carrefour announced that it had entered into an agreement with the Louis Delhaize group to acquire the Cora and Match banners in France. This transaction is expected to close in the summer of 2024.

Lastly, on September 20, 2023, Carrefour announced that it had reached an agreement with El Corte Inglés to acquire 47 stores operating under the Supercor banner in Spain. This transaction is expected to close no later than June 30, 2024.

3.2.2 Changes in 2022

ACQUISITION OF GRUPO BIG (BRAZIL) – SEE NOTE 2.1.1.3

SALE AND LEASEBACK TRANSACTIONS (SPAIN)

The property company Ofelia leased the premises of nine stores and a shopping mall to Carrefour Spain. In February 2022, Carrefour Spain exercised its pre-emptive right and acquired these assets for approximately 40 million euros. In December 2022, eight store premises (three hypermarkets and five supermarkets) out of the nine previously acquired were sold to a property company as part of a sale and leaseback transaction for approximately 40 million euros. This transaction led to the recognition of around 2 million euros in non-recurring income in 2022.

The shopping mall and the ninth store were sold for 18 million euros in 2023.

In addition, in September 2022, six Spanish hypermarket premises were sold to another property company for 110 million euros as part of a sale and leaseback transaction. This transaction led to the recognition of 23 million euros in non-recurring income in 2022.

ACQUISITION OF COSMOPOLITANO (BRAZIL)

On April 1, 2022, the Group acquired the remaining 50% of shares in Cosmopolitano in Brazil, which has been fully consolidated since that date. Proceeds of approximately 80 million Brazilian reals (15 million euros) were recognised within non-recurring items in 2022 as a result of this takeover, which was accounted for in accordance with IFRS 3 and IAS 28.

SALE OF THE GROUP'S STAKE IN CAJOO (FRANCE)

On May 16, 2022, Germany-based Flink, Europe's leading quick commerce company, announced the acquisition of Cajoo from Carrefour and its founders in exchange for its own shares. This acquisition was finalised on June 23, 2022. The gain on the disposal of the Cajoo shares, amounted to 6 million euros, net of costs, and was recognised within non-recurring items for the year 2022.

Also in June 2022, the Group contributed to Flink's reserved capital increase.

SALE OF THE GROUP'S STAKE IN PLOIESTI (ROMANIA)

On September 9, 2022, the Group sold its stake in the equity-accounted company Ploiesti Shopping City in Romania. This disposal led to the recognition of a gain of 32 million euros within non-recurring items for the year 2022.

SALE OF THE GROUP'S STAKE IN MESTDAGH (BELGIUM)

In October 2022, the Group sold all of its shares in the Belgian equity-accounted company Mestdagh (i.e., 25%) to the majority shareholder for 41 million euros.

The gain on the disposal of the Mestdagh shares, amounted to 24 million euros, net of costs, and was recognised within non-recurring items for the year 2022.

3.3 Scope of consolidation at December 31, 2023

The list of consolidated companies (subsidiaries and associates) is presented in Note 18.

The Group reviewed its analyses of control over subsidiaries in which it is not the sole investor, in light of changes in facts and circumstances during the year, and particularly those transactions described in Note 2.1. Based on its review, there were no changes in the type of control exercised over these subsidiaries.

NOTE 4 RESTATEMENT OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION AT DECEMBER 31, 2022 TO REFLECT THE REDUCTION IN THE ACQUISITION PRICE OF GRUPO BIG IN BRAZIL

On March 31, 2023, an agreement was signed with the sellers of Grupo BIG, leading to a firm reduction in its price for a minimum of 900 million Brazilian reals (see Note 2.1.1.3 for further details). In accordance with IFRS 3 – *Business Combinations*, the price reduction occurring within 12 months of the acquisition's closing is recognised retrospectively in Grupo BIG's opening balance sheet with an offsetting adjustment to goodwill.

The consolidated statement of financial position at December 31, 2022 has therefore been restated for this price reduction (on the line "Other non-current financial assets" for its long-term portion and on the line "Other current financial assets" for its short-term portion), as well as for other minor adjustments.

ASSETS

(in millions of euros)	December 31, 2022 published	IFRS 3 restatement	December 31, 2022 IFRS 3 restated
Goodwill	8,778	(134)	8,644
Other intangible assets	1,499	-	1,499
Property and equipment	12,612	-	12,612
Investment property	279	-	279
Right-of-use assets	4,190	-	4,190
Investments in companies accounted for by the equity method	1,197	-	1,197
Other non-current financial assets	1,162	88	1,251
Consumer credit granted by the financial services companies – portion more than one year	1,867	-	1,867
Deferred tax assets	475	-	475
Other non-current assets	609	-	609
Non-current assets	**32,667**	**(45)**	**32,622**
Inventories	6,893	-	6,893
Trade receivables	3,330	-	3,330
Consumer credit granted by the financial services companies – portion less than one year	4,111	-	4,111
Other current financial assets	720	51	771
Tax receivables	948	-	948
Other current assets	1,025	-	1,025
Cash and cash equivalents	5,216	-	5,216
Assets held for sale	1,641	-	1,641
Current assets	**23,884**	**51**	**23,935**
TOTAL ASSETS	**56,551**	**6**	**56,558**

SHAREHOLDERS' EQUITY AND LIABILITIES

(in millions of euros)	December 31, 2022 published	IFRS 3 restatement	December 31, 2022 IFRS 3 restated
Share capital	1,855	-	1,855
Consolidated reserves (including net income)	9,289	-	9,289
Shareholders' equity, Group share	**11,144**	**-**	**11,144**
Shareholders' equity attributable to non-controlling interests	2,042	-	2,042
Total shareholders' equity	**13,186**	**-**	**13,186**
Borrowings – portion more than one year	6,912	-	6,912
Lease commitments – portion more than one year	3,574	-	3,574
Provisions	3,974	5	3,979
Consumer credit financing – portion more than one year	1,550	-	1,550
Deferred tax liabilities	364	1	365
Tax payables – portion more than one year	85	-	85
Non-current liabilities	**16,458**	**6**	**16,464**
Borrowings – portion less than one year	2,646	-	2,646
Lease commitments – portion less than one year	955	-	955
Suppliers and other creditors	14,393	-	14,393
Consumer credit financing – portion less than one year	3,592	-	3,592
Tax payables – portion less than one year	1,182	-	1,182
Other current payables	2,943	-	2,943
Liabilities related to assets held for sale	1,196	-	1,196
Current liabilities	**26,907**	**-**	**26,907**
TOTAL SHAREHOLDERS' EQUITY AND LIABILITIES	**56,551**	**6**	**56,558**

NOTE 5 SEGMENT INFORMATION

Accounting principles

IFRS 8 – *Operating Segments* requires the disclosure of information about an entity's operating segments derived from the internal reporting system and used by the entity's chief operating decision-maker to make decisions about resources to be allocated to the segment and assess its performance. The Group's operating segments consist of the countries in which it conducts its business through the integrated store network, as each country's results are reviewed monthly by the Group's Chief Executive Officer who is the chief operating decision-maker within the meaning of IFRS 8.

Countries located in the same region are considered to have similar characteristics and have been combined such that the Group reports on three geographical segments, as allowed by IFRS 8. These segments are:

- France;
- Europe (excluding France): Spain, Italy, Belgium, Poland and Romania;
- Latin America: Brazil and Argentina.

The income and expenses of certain support entities are allocated to the various countries proportionately to the services provided to each, with any unallocated income and expenses reported under "Global functions".

Segment assets include goodwill, other intangible assets, property and equipment, investment property, right-of-use assets and "other segment assets", corresponding to inventories, trade receivables, consumer credit granted by the financial services companies and other receivables. Segment liabilities comprise lease commitments, suppliers and other creditors, consumer credit financing and other payables.

Segment capital expenditure corresponds to the acquisitions of property and equipment and intangible assets (other than goodwill) reported in the statement of cash flows.

The disclosures in the tables below have been prepared using the same accounting policies as those applied to prepare the consolidated financial statements.

5.1 Segment results

2023 *(in millions of euros)*	Group total	France	Europe	Latin America	Global Functions
Net sales	83,270	38,220	23,650	21,399	–
Other revenue	2,632	798	623	1,144	66
Recurring operating income before depreciation and amortisation	**4,559**	**2,010**	**1,454**	**1,181**	**(86)**
Recurring operating income	**2,264**	**988**	**604**	**763**	**(91)**
Capital expenditure	1,850	724	439	683	5
Depreciation and amortisation expense[2]	(2,295)	(1,022)	(850)	(418)	(5)

2022 *(in millions of euros)*	Group total	France	Europe	Latin America	Global Functions
Net sales	81,385	37,706	22,643	21,036	–
Other revenue	2,546	809	587	1,078	71
Recurring operating income before depreciation and amortisation	**4,613**	**1,857**	**1,451**	**1,367**	**(63)**
Recurring operating income	**2,377**	**834**	**606**	**1,005**	**(69)**
Capital expenditure[1]	1,882	741	420	717	5
Depreciation and amortisation expense[2]	(2,236)	(1,023)	(845)	(361)	(6)

(1) In 2022, capital expenditure included the acquisition of the two last Makro Atacadista stores on a full ownership basis for 21 million euros, bringing the total to 29 acquired stores at December 31, 2022.
(2) Including the depreciation and amortisation relating to logistics equipment included in the cost of sales.

Latin America's segment earnings include Grupo BIG's contribution over 12 months for 2023, versus seven months for 2022 (acquisition of Grupo BIG effective June 1, 2022, see Note 2.1.1.3).

5.2 Segment assets and liabilities

December 31, 2023 *(in millions of euros)*	**Group total**	**France**	**Europe**	**Latin America**	**Global Functions**
ASSETS					
Goodwill	8,712	5,193	2,393	1,125	1
Other intangible assets	1,552	667	619	258	8
Property and equipment	12,360	4,537	2,651	5,170	2
Investment property	262	10	115	137	–
Right-of-use assets	4,464	1,566	2,043	854	1
Other segment assets	18,896	7,829	3,360	7,160	548
Total segment assets	**46,247**	**19,801**	**11,180**	**14,705**	**561**
Unallocated assets	9,924				
TOTAL ASSETS	**56,171**				
LIABILITIES (excluding equity)					
Segment liabilities	**28,927**	**11,958**	**8,171**	**8,445**	**354**
Unallocated liabilities	13,857				
TOTAL LIABILITIES	**42,784**				

December 31, 2022 IFRS 3 restated *(in millions of euros)*	**Group total**	**France**	**Europe**	**Latin America**	**Global Functions**
ASSETS					
Goodwill	8,644	5,184	2,374	1,085	1
Other intangible assets	1,499	625	596	271	7
Property and equipment	12,612	4,570	2,733	5,307	2
Investment property	279	10	114	154	–
Right-of-use assets	4,190	1,491	1,854	843	3
Other segment assets	18,783	7,990	3,348	6,927	519
Total segment assets	**46,007**	**19,870**	**11,018**	**14,587**	**532**
Unallocated assets	10,551				
TOTAL ASSETS	**56,558**				
LIABILITIES (excluding equity)					
Segment liabilities	**28,190**	**11,995**	**7,719**	**8,123**	**352**
Unallocated liabilities	15,182				
TOTAL LIABILITIES	**43,371**				

NOTE 6 OPERATING ITEMS

6.1 Revenue

Accounting principles

Revenue ("Total revenue") comprises net sales and other revenue.

Net sales correspond to sales via the Group's stores, e-commerce sites and service stations (to end customers) and warehouse sales (to franchisees).

Other revenue comprises revenue from the banking and insurance businesses (including bank card fees, and arranging fees for traditional and revolving credit facilities), property development revenue, travel agency revenue, commissions on e-commerce sales made on behalf of third parties (marketplaces), shopping mall rental income and franchise fees (mainly in the form of royalties).

(i) Recognition of net sales and other revenue

Revenue from sales in stores and service stations, which represents the bulk of the Group's net sales, is recorded when the customer pays at the check-out, pursuant to IFRS 15. Control is transferred when the goods and services are transferred to the customers, because the sales do not include any other unsatisfied performance obligation at that date. Some of the products on sale in the Group's stores are sold with a right of return. This concerns only certain specific product categories and the return period is limited based on local regulations in the countries concerned and/or the Group's general conditions of sale.

E-commerce sales correspond to sales on the Group's e-commerce sites (direct sales) and to commission on e-commerce sales carried out on behalf of third parties (marketplaces). The Group acts as the principal for direct sales on its e-commerce sites. Revenue from direct sales is recorded when the goods are delivered (corresponding to the date when control of the goods is transferred). In the same way as for in-store sales, certain products offered on the Group's e-commerce sites are sold with a time-limited right of return. In the case of marketplace sales, the Group acts as an agent and revenue from these sales corresponds to the commission billed to the third-party suppliers of the goods concerned.

Revenue from sales to franchisees is recorded when the goods are delivered (corresponding to the date when control of the goods is transferred).

Net banking revenue generated by the Group's financial services companies consists mainly of net interest revenue that does not fall within the scope of IFRS 15 and is accounted for in accordance with IFRS 9. IFRS 15 only applies to payment card services that do not qualify as financing or credit transactions (bank card fees, arranging fees for traditional and revolving credit facilities). These fees are recognised over the life of the underlying contracts.

Revenue from franchise fees is accounted for in accordance with the specific provisions of IFRS 15 concerning intellectual property licences (dynamic licences). The remuneration received in exchange for the right to use the Group's brand and expertise is calculated as a percentage of the net sales generated by the franchise outlet and is recognised over time. The accounting treatment of business lease fees is the same as for franchise fees.

Revenue from leases and subleases where the Group is lessor does not fall within the scope of IFRS 15 and is accounted for in accordance with IFRS 16 (from January 1, 2019).

The property development business corresponds primarily to the construction and extension of shopping centres adjacent to Carrefour hypermarkets and their subsequent sale. It also includes the speciality leasing business, corresponding to the enhancement of space in the shopping centres' common areas for the sale or display of products during a limited period. The property development business is conducted by Carrefour Property, a wholly-owned subsidiary of the Group. Generally speaking, revenue from property development continues to be recognised at the date the built property is delivered to the customer; only revenue relating to off-plan sales is recognised over time (based on the percentage of completion of the construction work, as measured based on costs incurred), since control is transferred to the customer as and when the work is completed by the Group.

(ii) Accounting treatment of customer loyalty programmes

When the purchase of goods or services entitles the customer to award credits under a loyalty programme, the contract with the customer comprises two separate performance obligations:

- the obligation to deliver the goods or services, which is satisfied immediately; and
- the obligation to subsequently supply goods or services at a reduced price or free of charge.

The sale proceeds are allocated between these two performance obligations proportionately to their respective specific sale prices.

6.1.1 Net sales

(in millions of euros)	2023	2022	% change
Net sales	83,270	81,385	2.3%

Factoring out Argentina, which saw a major devaluation of the peso during the year, net sales for 2023 at constant exchange rates would have been virtually identical at current exchange rates.

NET SALES BY COUNTRY (1)

(in millions of euros)	2023	2022
France	**38,220**	**37,706**
Europe (excluding France)	**23,650**	**22,643**
Spain	10,860	10,437
Belgium	4,209	3,905
Italy	3,926	3,916
Romania	2,569	2,328
Poland	2,085	2,057
Latin America	**21,399**	**21,036**
Brazil	19,258	18,064
Argentina	2,141	2,972
TOTAL NET SALES	**83,270**	**81,385**

(1) Substantially all revenue is recognised on a specific date. Revenue recognised over time is not material at Group level.

6.1.2 Other revenue

(in millions of euros)	2023	2022	% change
Financing fees and commissions(1)	1,426	1,404	1.5%
Franchise and lease management fees	420	402	4.4%
Rental revenue	176	173	1.8%
Revenue from sub-leases	24	23	2.0%
Property development revenue(2)	31	13	144.9%
Other revenue(3)	556	530	4.8%
TOTAL OTHER REVENUE	**2,632**	**2,546**	**3.4%**

(1) Including net banking revenue and net insurance revenue generated by the Group's financial services and insurance companies.
(2) Corresponding to the sale price of properties developed by the Group for resale. After deducting development costs recorded in "Cost of sales", the property development margin amounted to 8 million euros in 2023 compared with zero in 2022.
(3) Other revenue notably includes commission from marketplace sales, commission received from suppliers, and revenue generated from retail media and from merchant services.

Despite the significant rise in refinancing costs due to higher interest rates, financing fees and commissions recognised in 2023 confirmed the rally begun in 2022, propelled by strong sales momentum in Brazil and a return to growth in the French business.

Similarly, property development revenue, revenue generated by retail media and revenue from merchant services (including ticketing and travel) continued to rise in 2023.

Franchise and lease management fees also climbed further in France, Spain and Italy.

6.2 Recurring operating income

Accounting principles

Recurring operating income is an intermediate aggregate disclosed in order to help users of the consolidated financial statements to better understand the Group's underlying operating performance. It corresponds to operating income (defined as earnings from continuing operations before interest and tax) before material items that are unusual in terms of their nature and frequency and are reported under "Non-recurring income" or "Non-recurring expenses" (see Note 6.3).

6.2.1 Cost of sales

Accounting principles

Cost of sales corresponds to the cost of purchases net of rebates and commercial income, changes in inventories (including impairment), discounting revenue, exchange gains and losses on goods purchases, logistics costs and other costs (primarily the cost of products sold by the financial services companies and the production costs of the property development business).

Rebates are calculated based on immediate or deferred discount rates on purchases, as specified in the contractual terms negotiated each year. Rebates can be:

- unconditional, i.e., proportionate to total purchases and subject to no other conditions; or
- conditional, i.e., dependent on meeting certain conditions (e.g., growth in the supplier's net sales with the Group).

Commercial income corresponds to income from services carried out by Carrefour for its suppliers.

Rebates and commercial income recognised in cost of sales are measured based on the contractual terms specified in the agreements signed with suppliers.

6.2.2 Sales, general and administrative expenses, depreciation and amortisation

(in millions of euros)	2023	2022	% change
Sales, general and administrative expenses	(12,335)	(11,958)	3.2%
Depreciation of property and equipment and of investment property, and amortisation of intangible assets	(1,304)	(1,284)	1.5%
Depreciation of right-of-use asset – property and equipment and investment property	(728)	(694)	4.8%
TOTAL SG&A EXPENSES AND DEPRECIATION AND AMORTISATION	**(14,367)**	**(13,936)**	**3.1%**

SALES, GENERAL AND ADMINISTRATIVE EXPENSES

Sales, general and administrative expenses break down as follows:

(in millions of euros)	2023	2022	% change
Employee benefits expense	(7,373)	(7,337)	0.5%
Fees	(904)	(802)	12.8%
Energy and electricity	(903)	(736)	22.7%
Maintenance and repair costs	(778)	(766)	1.6%
Advertising expense	(682)	(656)	4.0%
Taxes other than on income	(521)	(526)	(1.0)%
Property rentals (excl. IFRS 16)[1]	(82)	(76)	7.9%
Other SG&A expenses	(1,094)	(1,060)	3.2%
TOTAL SG&A EXPENSES	**(12,335)**	**(11,958)**	**3.2%**

(1) In 2022 and 2023, lease expenses under property leases do not include lease expenses under contracts accounted for in accordance with IFRS 16 (see Note 8), which would have amounted to 898 million euros in 2022, and 991 million euros in 2023 had IFRS 16 not been applied.

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The increase in sales, general and administrative expenses in 2023 reflects the rise in energy costs, a higher price for certain purchased services and the consolidation of Grupo BIG from June 1, 2022 (Grupo BIG contribution calculated over 12 months for 2023 compared with seven months for 2022).

DEPRECIATION AND AMORTISATION

Including supply chain depreciation and amortisation recognised in cost of sales, total depreciation and amortisation expense recognised in the consolidated income statement amounted to 2,295 million euros in 2023 (versus 2,236 million euros in 2022), as follows:

(in millions of euros)	2023	2022	% change
Property and equipment	*(1,037)*	*(1,025)*	*1.1%*
Intangible assets	*(255)*	*(247)*	*3.3%*
Investment property	*(12)*	*(12)*	*0.6%*
Depreciation of property and equipment and of investment property, and amortisation of intangible assets	(1,304)	(1,284)	1.5%
Depreciation of right-of-use asset – property and equipment and investment property	(728)	(694)	4.8%
Depreciation and amortisation of supply chain	(63)	(60)	4.0%
Depreciation of right-of-use asset – supply chain	(201)	(198)	1.7%
TOTAL DEPRECIATION AND AMORTISATION	**(2,295)**	**(2,236)**	**2.6%**

6.3 Non-recurring income and expenses

Accounting principles

In accordance with the French accounting standards setter (ANC) recommendation no. 2020-01 dated March 6, 2020, non-recurring income and expenses are reported on a separate line of the income statement. Non-recurring items are defined as "items that are limited in number, clearly identifiable and non-recurring that have a material impact on consolidated results".

This classification is applied to certain material items of income and expense that are unusual in terms of their nature and frequency, such as impairment charges of non-current assets, gains and losses on disposals of non-current assets, restructuring costs and provision charges and income recorded to reflect revised estimates of risks provided for in prior periods, based on information that came to the Group's attention during the reporting year.

They are presented separately in the income statement to "help users of the financial statements to better understand the Group's underlying operating performance and provide them with useful information to assess the earnings outlook".

Non-recurring items represented a net expense of 558 million euros in 2023, and the detailed breakdown is as follows:

(in millions of euros)	2023	2022
Gains and losses on disposals of assets	66	212
Restructuring costs	(352)	(13)
Other non-recurring income and expenses	25	(16)
Non-recurring income and expenses, net before asset impairments and write-offs	**(261)**	**183**
Asset impairments and write-offs	(297)	(147)
of which Impairments and write-offs of goodwill	*(1)*	*(1)*
of which Impairments and write-offs of property and equipment, intangible assets and others	*(295)*	*(146)*
NON-RECURRING INCOME AND EXPENSES, NET	**(558)**	**36**
of which:		
Non-recurring income	*476*	*440*
Non-recurring expense	*(1,034)*	*(404)*

GAINS AND LOSSES ON DISPOSALS OF ASSETS

Gains and losses on disposals of non-current assets result from gains and losses on the sale and leaseback of five stores and four warehouses in Brazil and six hypermarkets in Spain (Note 2.1.5) and on the disposal of Carrefour Brazil's headquarters building. They also include capital gains on the disposal of various assets (store premises, land and businesses), mainly to franchisees in France. Net disposal gains were partially offset by the capital loss incurred on the disposal of Quitoque in France (see Note 2.1.3).

RESTRUCTURING COSTS

Restructuring costs recognised in 2023 relate to the new Carrefour 2026 strategic plan (see Note 2.2). This plan is based on a project to transform the Group's various headquarters with a view to safeguarding its competitiveness over the long term, boosting performance and agility, and simplifying its organisation, all of which will benefit its stores. The expense included in non-recurring items relates primarily to severance paid or payable within the scope of the *Rupture Conventionnelle Collective* put in place at headquarters in France, involving a maximum of 979 jobs, and, secondarily, to the measures implemented in stores and headquarters in Italy, Spain and Brazil.

OTHER NON-RECURRING INCOME AND EXPENSES

Other non-recurring income and expenses recorded in 2023 primarily comprise reversals of provisions in Brazil i) for tax risks relating to PIS-COFINS tax credits following the expiry of statutory limitation periods or favourable judgements, and ii) for ICMS tax credits following their sale. These reversals were almost entirely offset by costs related to store closures under way in Brazil (see Note 2.1.4).

ASSET IMPAIRMENTS AND WRITE-OFFS

Asset impairments (other than goodwill) and write-offs in 2023 include impairment recognised against non-current assets, reflecting the difficulties experienced by certain stores, as well as the retirement of various assets relating to stores in France, Spain and Belgium, and to IT in France and Belgium.

Impairment was also recognised against unprofitable former Grupo BIG stores in Brazil which were closed in 2023 (mainly stores under the Maxxi banner) or in the process of being closed at December 31, 2023 (stores under the Todo Dia, Bompreço and Nacional banners and some stores that had been converted to the Carrefour banner) for a total of approximately 120 million euros (Note 2.1.4). The caption also includes the partial write-down of brands recognised in Grupo BIG's opening balance sheet for approximately 38 million euros (Note 2.1.1.3).

Lastly, it includes write-downs to bring the net carrying amount of Showroomprivé shares in line with the stock market price at December 31, 2023.

Main non-recurring items in 2022

Gains and losses on disposals of non-current assets comprised gains and losses arising on the sale of various assets (store premises and businesses) to franchisees, notably in France and Italy. It also included the gain on the disposal of the nine hypermarkets and five supermarkets in Spain through sale and leaseback transactions. Gains on the disposal of the equity-accounted investments in Mestdagh in Belgium and Ploiesti Shopping City in Romania were also included in this caption.

Other non-recurring income and expenses recorded in 2022 mainly included revised estimates of historical risks, mostly tax-related, as well as the costs related to the acquisition of Grupo BIG in Brazil.

Asset impairments (other than goodwill) and write-offs in 2022 included impairment recognised against non-current assets, reflecting the difficulties experienced by certain stores, particularly in France and Italy, as well as the retirement of various assets, in particular relating to IT in France. Asset impairments also included write-downs to bring the net carrying amount of Showroomprivé shares into line with the stock market share price at December 31, 2022.

6.4 Working capital requirement

6.4.1 Change in working capital requirement

The change in working capital requirement reported in the consolidated statement of cash flows under "Net cash from operating activities" breaks down as follows:

(in millions of euros)	2023	2022	Change
Change in inventories	(6)	(678)	672
Change in trade receivables	(75)	(350)	275
Change in trade payables	662	1,044	(382)
Change in loyalty program liabilities	10	43	(33)
Change in trade working capital requirement	**591**	**59**	**532**
Change in other receivables and payables	185	49	136
CHANGE IN WORKING CAPITAL REQUIREMENT	**775**	**108**	**667**

These items, like all other items in the statement of cash flows, are translated at the average rate for the year.

In light of the major devaluation of the Argentine peso on December 13, 2023, and in accordance with the accounting principles described in Note 3.1, items in the Argentine cash flow statement for the month of December 2023 were translated at the average exchange rate for that month, while items relating to the first 11 months of the year were translated at the average rate over that period in order to reflect as closely as possible the rate existing at the time of the transactions.

6.4.2 Inventories

Accounting principles

In accordance with IAS 2 – *Inventories*, goods inventories and the inventories of the property development business (properties under construction) are measured at the lower of cost and net realisable value.

The cost of goods inventories corresponds to the latest purchase price plus all related expenses, or the weighted average cost. Given rapid inventory turnover, these two methods do not lead to significant differences. The cost of goods inventories includes all components of the purchase cost of goods sold (with the exception of exchange gains and losses) and takes into account the rebates and commercial income negotiated with suppliers.

Net realisable value corresponds to the estimated selling price in the ordinary course of business, less the estimated additional costs necessary to make the sale.

(in millions of euros)	December 31, 2023	December 31, 2022
Inventories at cost	6,752	7,088
Impairment	(208)	(195)
INVENTORIES, NET	**6,544**	**6,893**

Note that the same impairment methods were applied as in previous reporting periods.

6.4.3 Trade receivables

Accounting principles

Trade receivables correspond for the most part to rebates and commercial income receivable from suppliers, amounts receivable from franchisees and receivables of the property development business.

Trade receivables are classified as financial assets measured at amortised cost (see Note 14). They are recognised for the initial invoice amount, less a loss allowance recorded in accordance with the simplified impairment model based on expected losses defined in IFRS 9 – *Financial Instruments* (see Note 14.7.4).

Certain Group subsidiaries operate receivables discounting programmes. In accordance with IFRS 9, receivables sold under these programmes are derecognised when the related risks and rewards (i.e., mainly default, late payment and dilution risks) are substantially transferred to the buyer.

(in millions of euros)	December 31, 2023	December 31, 2022
Receivables from clients	2,457	2,312
Impairment	(234)	(190)
Receivables from clients, net	**2,223**	**2,122**
Receivables from suppliers	1,046	1,208
TOTAL TRADE RECEIVABLES	**3,269**	**3,330**

Note that the same impairment methods were applied as in previous reporting periods.

6.4.4 Suppliers and other creditors

Accounting principles

Suppliers and other creditors correspond primarily to trade payables. They also include payables that suppliers have transferred to financial institutions as part of reverse factoring programmes. These programmes enable suppliers to receive payment for the Group's purchases in advance of the normal payment terms. After conducting an analysis, the Group has continued to classify these liabilities as trade payables, their characteristics having not been substantially modified (in particular, their contractual terms – including debt maturity – have been maintained).

Suppliers and other creditors are classified in the category of "Financial liabilities measured at amortised cost", as defined in IFRS 9 – *Financial Instruments* (see Note 14). They are initially recognised at their nominal amount, which represents a reasonable estimate of fair value in light of their short maturities.

(in millions of euros)	December 31, 2023	December 31, 2022
Suppliers and other creditors	14,242	14,393
Of which reverse factored payables	*1,998*	*2,297*

6.4.5 Tax receivables and payables

BREAKDOWN OF TAX RECEIVABLES

(in millions of euros)	December 31, 2023	December 31, 2022
VAT and sales tax receivables	590	684
Other tax (other than on income) receivables	60	98
Current tax receivables	173	167
TOTAL TAX RECEIVABLES	**824**	**948**

BREAKDOWN OF TAX PAYABLES

(in millions of euros)	December 31, 2023	December 31, 2022
VAT and sales tax payables	485	462
Other tax (other than on income) payables	498	510
Current tax payables	239	210
TOTAL TAX PAYABLES – PORTION DUE IN LESS THAN ONE YEAR	**1,222**	**1,182**
TOTAL TAX PAYABLES – PORTION DUE IN MORE THAN ONE YEAR	**57**	**85**

6.4.6 Other assets and payables

BREAKDOWN OF OTHER ASSETS

(in millions of euros)	December 31, 2023	December 31, 2022
Prepaid expenses	443	419
Receivables from real estate activity	89	75
Proceeds receivable from disposals of non-current assets	28	34
Employee advances	14	11
Other operating receivables, net	434	486
TOTAL OTHER CURRENT ASSETS	**1,008**	**1,025**
Prepaid expenses – portion due in more than one year	2	1
Tax receivables – portion due in more than one year[1]	694	608
TOTAL OTHER NON-CURRENT ASSETS	**697**	**609**

(1) These correspond to ICMS and PIS-COFINS tax credits expected to be collected in over 12 months. At December 31, 2023, the total gross amount of the Brazilian ICMS tax credits, mainly attributable to favourable rulings handed down by the Brazilian Supreme Court, represented 1,080 million euros (1,184 million euros at December 31, 2022). This amount has been written down by 426 million euros (resulting in a net receivable of 654 million euros versus 705 million euros at December 31, 2022) to reflect the market value of the tax credits, which the Company intends to use over a period not exceeding three years. In the income statement, the total amount of the Brazilian ICMS tax credits for the year are recorded in recurring operating income and those for prior years are recorded in non-recurring income.

BREAKDOWN OF OTHER CURRENT PAYABLES

(in millions of euros)	December 31, 2023	December 31, 2022
Accrued employee benefits expense	1,532	1,531
Payables to suppliers of non-current assets	567	714
Deferred revenue	147	131
Other payables	614	567
TOTAL OTHER CURRENT PAYABLES	**2,860**	**2,943**

6.5 Banking and insurance businesses

Accounting principles

To support its core retailing business, the Group offers banking and insurance services to customers, mainly in France, Spain and Brazil.

The Group's financial services companies offer their customers "Carrefour" bank cards that can be used in the Group's stores and elsewhere, consumer credit (renewable credit facilities and amortisable loans), and savings products (life insurance, passbook savings accounts, etc.).

Due to its contribution to the Group's total assets and liabilities and its specific financial structure, this secondary business is presented separately in the consolidated financial statements:

- consumer credit granted by the financial services companies (payment card receivables, personal loans, etc.) is presented in the statement of financial position under "Consumer credit granted by the financial services companies – Portion due in more than one year" and "Consumer credit granted by the financial services companies – Portion due in less than one year", depending on their maturity;
- financing for these loans is presented under "Consumer credit financing – Portion due in more than one year" and "Consumer credit financing – Portion due in less than one year", depending on their maturity;
- the other assets and liabilities of the banking activities (property and equipment, intangible assets, cash and cash equivalents, tax and employee-related payables, etc.) are presented on the corresponding lines of the statement of financial position;
- net revenues from banking activities are reported in the income statement under "Other revenue";
- the change in the banking and insurance businesses' working capital requirement is reported in the statement of cash flows under "Change in consumer credit granted by the financial services companies".

6.5.1 Consumer credit granted by the financial services companies

As of December 31, 2023, consumer credit granted by the financial services companies totalled 6,554 million euros (versus 5,978 million euros at December 31, 2022), as follows:

(in millions of euros)	December 31, 2023	December 31, 2022
Payment card receivables	6,650	5,583
Loans	1,501	1,448
Consumer credit (linked to in-store purchases)	53	59
Other financing[1]	163	245
Impairment	(1,813)	(1,356)
TOTAL CONSUMER CREDIT GRANTED BY THE FINANCIAL SERVICES COMPANIES	**6,554**	**5,978**
Portion due in less than one year	*4,644*	*4,111*
Portion due in more than one year	*1,911*	*1,867*

(1) Other financing corresponds mainly to restructured loans and credit facilities.

Consumer credit granted by the financial services companies corresponds to customer receivables (credit card debt, personal loans, etc.).

The gross value of consumer credit increased by around 1 billion euros compared with December 31, 2022. This reflects strong momentum in the consumer credit business in Brazil, driven in part by the acquisition of Grupo BIG customers who now use payment solutions from the Brazilian bank (Banco CSF), and, to a lesser extent, the upturn in France, particularly in digital channels. Gross consumer credit in Spain remained relatively stable, before the impact of sales of category 1 and 3 credit over the year.

At December 31, 2023, 70% of the gross value of consumer credit granted by the financial services companies was classified in category 1, 7% in category 2 and 23% in category 3. At December 31, 2022, categories 1, 2 and 3 represented 72%, 9% and 19%, respectively, of the gross value of consumer credit granted by the financial services companies.

As a result, the average impairment rate for consumer credit increased by approximately 3.2% compared with December 31, 2022, reflecting expected credit losses in Brazil and Spain.

The amount of impairment for consumer credit was estimated according to the rules and principles described below.

CREDIT RISK MANAGEMENT AND IMPAIRMENT APPROACH

Accounting principles

The impairment model for consumer credit granted by the financial services companies was adjusted in line with the requirements of IFRS 9 – *Financial Instruments* using a two-step process:

- classification of outstanding loans in uniform risk categories based on the probability of default; then
- modelling of the probability of credit losses over a 12-month period or at maturity (representing the remaining term of the financial instrument), based on the classification of the instrument.

CLASSIFICATION OF CONSUMER CREDIT

Consumer credit is divided into three categories, based on an analysis of potentially significant increases in credit risk:

- category 1: credit granted to consumers whose credit risk has not significantly increased since the credit was initially recognised;
- category 2: credit granted to consumers whose financial situation has worsened (significant increase in credit risk) since the credit was initially recognised but for which no objective evidence of impairment (default) of a specific credit has yet been identified;
- category 3: credit granted to consumers in default.

(i) Significant increase in credit risk

The main criteria applied by the Group to identify a significant increase in credit risk since initial recognition and where necessary, to reclassify category 1 assets within category 2, are as follows:

- late payment criterion: payments more than 30 days past due (non-rebuttable presumption under IFRS 9);
- renegotiation criterion: credit with renegotiated terms with payment less than 30 days past due.

The Group determines whether there has been a significant increase in credit risk for each of its contracts and applies the "contagion" principle, whereby reclassification of a given credit granted to a consumer will lead to all credit granted to that consumer to be reclassified accordingly.

(ii) Objective evidence of impairment (default)

Carrefour considers that there is objective evidence of impairment if any of the following criteria are met:

- late payment criterion: payments more than 90 days past due (non-rebuttable presumption under IFRS 9);
- renegotiation criterion: credit with renegotiated terms (not considered substantial) owing to significant difficulties of the debtor, with payment more than 30 days past due;
- litigation criterion: credit in dispute at the reporting date;
- "contagion" criterion: if a given credit granted to a consumer meets the aforementioned criteria, all credit granted to that consumer is also deemed to meet those criteria.

The consumer credit concerned is classified in category 3.

ESTIMATES OF EXPECTED CREDIT LOSSES

Calculation of the amount of expected credit losses is based on four main inputs: probability of default, loss given default, exposure at default and the discount rate. Each of these inputs is calibrated according to the consumer credit segmentation – itself based on the products distributed by each entity (personal loans, credit cards/renewable facilities and credit granted for a specific purpose) – based on historical data and taking into account prospective factors. The methods used to calibrate these inputs are consistent with those adopted to meet regulatory and prudential requirements (particularly the Basel Accord).

Expected credit losses are calculated over a 12-month period for consumer credit classified in category 1 and over the life of the credit for items classified in categories 2 and 3.

To protect against default by borrowers, the Group's financial services companies have set up systems to check the quality and repayment capacity of their customers. These include:

- decision-making aids such as credit scoring applications, income/debt simulation tools and credit history checking procedures;
- interrogation of positive and negative credit history databases, where they exist;
- active management of collection and litigation processes;
- solvency analyses at the contract anniversary date;
- credit risk monitoring and control systems.

Within each credit company, a Credit Risk department is responsible for all of these processes and a summary of the Credit Risk Management Committees is systematically presented to the company's Board of Directors.

6.5.2 Consumer credit financing

The related consumer credit financing amounted to 5,702 million euros at December 31, 2023 (December 31, 2022: 5,142 million euros), as follows:

(in millions of euros)	December 31, 2023	December 31, 2022
Bonds and notes[1]	950	824
Debt securities (Neu CP and Neu MTN)[2]	1,530	1,553
Bank borrowings[3]	654	572
Customer passbook savings deposits	276	279
Securitisations[4]	287	297
Other refinancing debt to financial institutions	1,966	1,577
Other	38	41
TOTAL CONSUMER CREDIT FINANCING	**5,702**	**5,142**
Portion due in less than one year	*3,771*	*3,592*
Portion due in more than one year	*1,931*	*1,550*

(1) In May 2023, Carrefour Banque issued a new 500 million euro bond with a fixed rate swapped for the three-month Euribor (four years maturing in May 2027, three-month Euribor coupon +95 basis points) and, in June 2023, redeemed ahead of term the 400 million euro floating-rate bond issued in September 2019 (four years maturing in September 2023, three-month Euribor coupon +65 basis points).

(2) Debt securities mainly comprised Negotiable EUropean Commercial Paper (NEU CP) and Negotiable EUropean Medium-Term Notes (NEU MTN) issued by Carrefour Banque.

(3) This item mainly includes the 320 million euro refinancing operation with the European Central Bank (maturity March 2024) and drawdowns of credit lines.

(4) This item corresponds to the Master Credit Cards Pass reloadable securitisation programme with compartments launched by Carrefour Banque in November 2013 for an initial asset pool of 560 million euros. Proceeds from the securitisation amounted to 400 million euros. This vehicle was maintained at December 31, 2023 with a balance of 287 million euros.

NOTE 7 INTANGIBLE ASSETS, PROPERTY AND EQUIPMENT, INVESTMENT PROPERTY

7.1 Intangible assets

Accounting principles

GOODWILL

Goodwill is initially recognised on business combinations as explained in Note 3.1.

In accordance with IAS 36 – *Impairment of Assets*, goodwill recognised on business combinations is not amortised but is tested for impairment every year, or more frequently if there is an indication that its carrying amount may not be recovered, by the method described in Note 7.3.

OTHER INTANGIBLE ASSETS

Intangible assets consist mainly of software and other intangible assets related to the stores.

Separately acquired intangible assets are initially recognised at cost and intangible assets acquired in business combinations are recognised at fair value (see Note 3.1).

Software (excluding SaaS arrangements)

Internal and external costs directly incurred in the purchase or development of software are recognised as intangible assets, including subsequent improvements, when it is probable that they will generate future economic benefits for the Group. Software is amortised by the straight-line method over periods ranging from, barring exceptions, one to eight years.

Software as a Service (SaaS) arrangements

A SaaS arrangement allows an entity to access, using an Internet connection and for a specified period of time, software functions hosted on infrastructure operated by an external provider. If the Group does not control a SaaS solution, the related development costs (external and internal) are recognised as follows: (a) as an expense as incurred for internal costs and the costs of an integrator not related to the SaaS publisher, and (b) as an expense over the term of the SaaS arrangement for the costs of the SaaS publisher or its subcontractor. If the Group controls a SaaS solution, costs are capitalised if they meet the IAS 38 criteria, otherwise they are expensed as incurred.

Goodwill, which constitutes the main intangible asset, is reported separately from other intangible assets in the statement of financial position.

(in millions of euros)	December 31, 2023	December 31, 2022 IFRS 3 restated
Goodwill	8,712	8,644
Other intangible assets	1,552	1,499
TOTAL INTANGIBLE ASSETS	**10,264**	**10,143**

7.1.1 Goodwill

The carrying amount of goodwill is monitored at the level of the operating segments corresponding to the countries in which the Group conducts its business through its integrated store networks.

The 68 million euro increase in goodwill compared to the end-2022 figure as restated for IFRS 3 primarily reflects a 57 million euro positive translation adjustment resulting from the slight increase in the value of the Brazilian real and Polish zloty during the period. To a lesser extent, the increase in goodwill also results from various acquisitions in France and from the Cora acquisition in Romania (see Note 2.1.1.1).

(in millions of euros)	December 31, 2022 IFRS 3 restated	Acquisitions	Disposals	Impairment	Other movements	Exchange differences	December 31, 2023
France	5,184	9	–	–	–	–	5,193
Brazil	1,080	–	–	–	–	44	1,124
Spain	1,031	–	–	–	–	–	1,031
Belgium	950	–	–	(0)	–	–	950
Poland	225	–	–	–	–	18	242
Romania	99	3	–	–	–	(1)	102
Italy	69	–	–	(1)	–	–	67
Argentina	5	–	–	–	–	(4)	1
Global Functions	1	–	–	–	–	–	1
TOTAL	**8,644**	**12**	**–**	**(2)**	**–**	**57**	**8,712**

At December 31, 2022 as restated for IFRS 3, the 649 million euro increase in goodwill relative to December 31, 2021 reflected:

- completion of the acquisition of Grupo BIG in Brazil, including the recognition of final goodwill in the amount of 795 million euros. In accordance with IFRS 3 – *Business Combinations*, the price reduction and other adjustments occurring within 12 months of the acquisition's closing were recognised retrospectively in Grupo BIG's opening balance sheet with an offsetting adjustment to goodwill (see Note 2.1.1.3);
- various acquisitions in France for a total of 37 million euros, corresponding mainly to the Carré d'Or franchisee;
- the derecognition of goodwill recorded by Carrefour Taiwan for 147 million euros, reflecting the disposal of operations there (see Note 2.1.3);
- an unfavourable translation adjustment of 36 million euros, mainly attributable to the decrease in the value of the Brazilian real since the consolidation of Grupo BIG on June 1, 2022.

(in millions of euros)	December 31, 2021	Acquisitions	Disposals	Impairment	Other movements	Exchange differences	December 31, 2022 IFRS 3 restated
France	5,147	37	–	–	–	–	5,184
Brazil	314	795	–	–	–	(29)	1,080
Spain	1,031	–	–	–	–	–	1,031
Belgium	950	–	–	–	–	–	950
Poland	229	–	–	–	–	(4)	225
Romania	99	–	–	–	–	(0)	99
Italy	69	–	–	(1)	–	–	69
Argentina	8	–	–	–	–	(3)	5
Global Functions	1	–	–	–	–	–	1
Taiwan	147	–	(147)	–	–	–	–
TOTAL	**7,995**	**832**	**(147)**	**(1)**	**–**	**(36)**	**8,644**

7.1.2 Other intangible assets

(in millions of euros)	December 31, 2023	December 31, 2022
Other intangible assets, at cost	3,956	3,744
Amortisation	(2,681)	(2,510)
Impairment	(85)	(51)
Intangible assets in progress	362	316
TOTAL OTHER INTANGIBLE ASSETS, NET	**1,552**	**1,499**

CHANGES IN OTHER INTANGIBLE ASSETS

(in millions of euros)	Gross carrying amount	Amortisation and impairment	Net carrying amount
At December 31, 2021	**3,895**	**(2,563)**	**1,333**
Disposal of Carrefour Taiwan[(1)]	(58)	29	(28)
Acquisitions	376	–	376
Other disposals	(303)	264	(40)
Amortisation	–	(247)	(247)
Impairment	–	(5)	(5)
Exchange differences	14	(15)	(1)
Changes in scope of consolidation[(2)]	105	–	105
Transfers and other movements	31	(25)	6
At December 31, 2022	**4,060**	**(2,561)**	**1,499**
Acquisitions	385	–	385
Disposals	(130)	90	(40)
Amortisation	–	(255)	(255)
Impairment[(3)]	–	(38)	(38)
Exchange differences	(27)	20	(7)
Changes in scope of consolidation, transfers and other movements	30	(22)	8
At December 31, 2023	**4,318**	**(2,766)**	**1,552**

(1) The amounts reported on this line related to other intangible assets owned by Carrefour Taiwan (classified in discontinued operations in 2022 – see Note 2.1.3) at January 1, 2022. Accordingly, other changes shown in this table for 2022 did not include amounts relating to Carrefour Taiwan in the period. Carrefour Taiwan was sold on June 30, 2023.

(2) This item corresponded almost exclusively to the intangible assets of Grupo BIG, following its consolidation on June 1, 2022 (see Note 2.1.1.3).

(3) In 2023, this item corresponds to the partial write-down of brands recognised at the time of the Grupo BIG acquisition in Brazil (see Note 2.1.4).

7.2 Property and equipment

Accounting principles

Property and equipment mainly comprise buildings, store fixtures and fittings, and land.

INITIAL RECOGNITION

In accordance with IAS 16 – *Property, Plant and Equipment*, these items are stated at cost less accumulated depreciation and any accumulated impairment losses. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the asset. Qualifying assets are defined in IAS 23 – *Borrowing Costs* as assets that necessarily take a substantial period of time to get ready for their intended use or sale, corresponding in the Group's case to investment properties, hypermarkets and supermarkets for which the construction period exceeds one year.

For property and equipment acquired in exchange for one or more non-monetary assets or for a combination of monetary and non-monetary assets, cost is measured at fair value unless (a) the exchange transaction lacks commercial substance or (b) the fair value of neither the asset received nor the asset given up is reliably measurable, in which case its cost is measured at the carrying amount of the asset given up.

Assets under construction are recognised at cost less any identified impairment losses.

USEFUL LIVES

Depreciation of property and equipment begins when the asset is available for use and ends when the asset is sold, scrapped or reclassified as held for sale in accordance with IFRS 5 – *Non-current Assets Held for Sale and Discontinued Operations*.

Land is not depreciated. Other property and equipment are depreciated by the straight-line method over the following estimated useful lives:

Buildings	
■ buildings	40 years
■ site improvements	10 to 20 years
■ car parks	6 to 10 years
Equipment, fixtures and fittings	4 to 25 years
Other	3 to 10 years

In light of the nature of its business, the Group considers that its property and equipment have no residual value.

Depreciation periods are reviewed at each year-end and, where appropriate, adjusted prospectively in accordance with IAS 8 – *Accounting Policies, Changes in Accounting Estimates and Errors*.

As part of its plan to reduce CO_2 emissions from its activities, the Group acquired new types of equipment – in particular photovoltaic power plants for self-consumption and refrigeration plants running on natural fluid (CO_2) with much lower emissions. The Group determined the useful lives of these facilities in 2023.

At December 31, 2023, the Group had not identified any significant factors related to climate change that would lead to a revision of the useful lives applied.

(in millions of euros)	December 31, 2023 Gross carrying amount	Depreciation	Impairment	Net carrying amount
Land	3,248	–	(57)	3,190
Buildings	11,606	(6,006)	(155)	5,446
Equipment, fixtures and fittings	14,435	(11,215)	(299)	2,921
Other fixed assets	1,002	(777)	(3)	222
Assets under construction	581	–	–	581
TOTAL PROPERTY AND EQUIPMENT	**30,872**	**(17,997)**	**(515)**	**12,360**

(in millions of euros)	December 31, 2022 Gross carrying amount	Depreciation	Impairment	Net carrying amount
Land	3,405	–	(68)	3,336
Buildings	11,675	(5,894)	(175)	5,606
Equipment, fixtures and fittings	14,798	(11,771)	(299)	2,728
Other fixed assets	707	(455)	(3)	249
Assets under construction	692	–	–	692
TOTAL PROPERTY AND EQUIPMENT	**31,277**	**(18,120)**	**(546)**	**12,612**

CHANGES IN PROPERTY AND EQUIPMENT

(in millions of euros)	Gross carrying amount	Depreciation and impairment	Net carrying amount
At December 31, 2021	**29,600**	**(18,879)**	**10,721**
Disposal of Carrefour Taiwan[1]	(1,316)	879	(437)
Acquisitions	1,504	–	1,504
Other disposals[2]	(890)	671	(218)
Depreciation	–	(1,086)	(1,086)
Impairment	–	(25)	(25)
Exchange differences	(85)	89	4
Changes in scope of consolidation[3]	1,967	–	1,967
Transfers and other movements[4]	498	(316)	182
At December 31, 2022	**31,277**	**(18,666)**	**12,612**
Acquisitions	1,461	–	1,461
Disposals[2]	(1,567)	1,132	(435)
Depreciation	–	(1,100)	(1,100)
Impairment[4]	–	(97)	(97)
Exchange differences[6]	(577)	477	(99)
Changes in scope of consolidation, transfers and other movements[5]	277	(259)	17
At December 31, 2023	**30,872**	**(18,512)**	**12,360**

(1) The amounts reported on this line related to property and equipment owned by Carrefour Taiwan (classified in discontinued operations in 2022 – see Note 2.1.3) at January 1, 2022. Accordingly, other changes shown in this table for 2022 did not include amounts relating to Carrefour Taiwan in the period. Carrefour Taiwan was sold on June 30, 2023.

(2) In 2023, this item corresponds mainly to the sale and leaseback of the real estate of five stores and four warehouses in Brazil for around 220 million euros and of six hypermarkets in Spain for 114 million euros (see Note 2.1.5). It also includes the sale of Carrefour Brazil's headquarters building, various sales of store premises and lands in France, and the retirement of fully depreciated property, plant and equipment in France.
In 2022, this item corresponded mainly to the sale and leaseback of the real estate of nine hypermarkets and five supermarkets in Spain for approximately 150 million euros, the disposal of a warehouse in the Campania region in Italy, as well as various sales of store premises and lands in France.

(3) In 2022, this item corresponded almost exclusively to the property and equipment of Grupo BIG, following its consolidation on June 1, 2022 (see Note 2.1.1.3).

(4) In 2023, this item includes approximately 85 million euros in impairment of the property, plant and equipment of Grupo BIG's 122 unprofitable Brazilian stores (in the process of being closed) at December 31, prior to their reclassification as assets held for sale (see below).

(5) In 2022 and 2023, this item corresponds mainly to the hyperinflation effect applied to property and equipment held in Argentina, in accordance with IAS 29. In 2023, it was reduced by the reclassification of the assets of Grupo BIG's 122 stores as held for sale (see Note 2.1.4).

(6) In 2023, exchange differences mainly reflect the sharp decline in the value of the Argentine peso over the year, partially offset by the slight increase in the value of the Brazilian real.

7.3 Impairment tests

Accounting principles

In accordance with IAS 36 – *Impairment of Assets*, intangible assets and property and equipment are tested for impairment whenever events or changes in the market environment indicate that the recoverable amount of an individual asset and/or a cash-generating unit (CGU) may be less than its carrying amount. For assets with an indefinite useful life – mainly goodwill in the case of the Carrefour group – the test is performed at least once a year.

Individual assets or groups of assets are tested for impairment by comparing their carrying amount to their recoverable amount, defined as the higher of their fair value (less costs of disposal) and their value in use. Value in use is the present value of the future cash flows expected to be derived from the asset.

If the recoverable amount is less than the carrying amount, an impairment loss is recognised for the difference. Impairment losses on property and equipment and intangible assets (other than goodwill) may be reversed in future periods provided that the asset's increased carrying amount attributable to the reversal does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years.

IMPAIRMENT OF ASSETS OTHER THAN GOODWILL

Impairment tests on property and equipment are performed at the level of the individual stores (CGUs), for all formats.

In accordance with IAS 36, intangible assets (other than goodwill) and property and equipment are tested for impairment whenever there is an indication that their recoverable amount may be less than their carrying amount. All stores that report a recurring operating loss before depreciation and amortisation in two consecutive years (after the start-up period) are tested.

Recoverable amount is defined as the higher of value in use and fair value less the costs of disposal.

Value in use is considered to be equal to the store's discounted future cash flows over a period of up to five years plus a terminal value. Fair value is estimated based on the prices of recent transactions, industry practice, independent valuations or the estimated price at which the store could be sold to a competitor.

The perpetual growth rate and the discount rate formula applied are the same as for impairment tests on goodwill.

GOODWILL IMPAIRMENT

IAS 36 requires impairment tests to be performed annually at the level of each CGU or group of CGUs to which the goodwill is allocated.

In accordance with this standard, goodwill is allocated to the CGU or group of CGUs that is expected to benefit from the synergies of the business combination. Each CGU or group of CGUs to which the goodwill is allocated should represent the lowest level within the entity at which the goodwill is monitored for internal management purposes and should not be larger than an operating segment as defined in IFRS 8 – *Operating Segments* before aggregation.

The Group is analysing the recoverable amount of goodwill at country level. The choice of this level is based on a combination of organisational and strategic criteria. In particular, operations within each country (hypermarkets, supermarkets, etc.) use shared resources (country-level centralised purchasing organisation, marketing systems, headquarters functions, etc.) that represent an essential source of synergies between the various operations.

Value in use corresponds to the sum of discounted future cash flows for a period generally not exceeding five years, with a terminal value calculated by projecting data for the final year at a perpetual growth rate. A specific discount rate by country is used for the calculation. Future cash flows used in the impairment tests carried out in 2023 were estimated based on the financial trajectories defined by the Executive Management teams at country level and approved by the Group's Executive Management. These future cash flows take into account the best estimate of the impact of climate change to date, including the level of planned investments.

The discount rate for each country corresponds to the weighted average cost of equity and debt, determined using the median gearing rate for the sector. Each country's cost of equity is determined based on local parameters (risk-free interest rate and market premium). The cost of debt is determined by applying the same logic.

Fair value is the price that would be received to sell the operations in the country tested for impairment in an orderly transaction between market participants. Fair value is measured using observable inputs where these exist (multiples of net sales and/or EBITDA (recurring operating income before depreciation and amortisation) for recent transactions, offers received from potential buyers, stock market multiples for comparable companies) or based on analyses performed by internal or external experts.

Additional tests are performed at the interim period-end when there is an indication of impairment. The main impairment indicators used by the Group are as follows:

- internal impairment indicator: a material deterioration in the ratio of recurring operating income before depreciation and amortisation to net revenues excluding petrol between the budget and the most recent forecast;
- external impairment indicator: a material increase in the discount rate and/or a severe downgrade in the International Monetary Fund's (IMF) gross domestic product (GDP) growth forecast.

Impairment losses recognised on goodwill are irreversible, including those recorded at an interim period-end.

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7.3.1 Impairment of goodwill and sensitivity analysis

The impairment tests performed in 2023 did not result in any impairment losses being recorded against goodwill. Impairment losses were also not recognised against goodwill in 2022.

7.3.1.1 Countries for which the recoverable amount of goodwill was close to the carrying amount

In the impairment tests carried out at December 31, 2023, the recoverable amount of Italy and Poland CGUs were found to be close to – but still greater than – the carrying amount. Accordingly, no impairment loss was recognised on Italian or Polish goodwill.

ITALY

As a reminder, an impairment loss of 700 million euros was recorded against Italian goodwill in 2017 to reflect the significant decline in the value in use of the Group's operations in this country. The indications of impairment prompted the Group to carry out an in-depth analysis to determine the Italian operations' fair value. This analysis adopted a multi-criteria valuation approach which took into account multiples observed for comparable companies in the retail sector in Europe, and the market value of Italian real estate assets, determined based on independent appraisals.

In the impairment tests carried out at December 31, 2021, partial impairment of Italian goodwill was recorded in an amount of 80 million euros (in addition to the 104 million euro impairment loss recognised at the end of 2020). This reflected a decrease in net sales and the value of real estate assets in comparison with end-2020. At December 31, 2022, no additional impairment of Italian goodwill was required.

The multi-criteria approach was used again to test Italian goodwill for impairment at December 31, 2023. The resulting fair value represented Executive Management's best estimate and confirmed that the 67 million euro carrying amount of Italian goodwill at December 31, 2023 was reasonable.

POLAND

The Group carried out an in-depth analysis to determine the Polish operations' fair value at December 31, 2023. This analysis adopted a multi-criteria valuation approach which took into account multiples observed for comparable companies in the retail sector in Europe, and the market value of Polish real estate assets, determined based on independent appraisals.

This analysis revealed that the value in use of Polish operations was higher than their net carrying amount. The resulting fair value represented Executive Management's best estimate and confirmed that the 242 million euro carrying amount of Polish goodwill at December 31, 2023 was reasonable.

7.3.1.2 Other countries

For the other countries where the Group conducts business, the analysis of sensitivity to a simultaneous change in the key inputs based on reasonably possible assumptions did not reveal any probable scenario according to which the recoverable amount of any of the groups of CGUs would be less than its carrying amount.

7.3.1.3 Main financial assumptions used to estimate value in use

The perpetual growth rates and discount rates (corresponding to the weighted average cost of capital – WACC) applied for impairment testing purposes in 2023 and 2022 are presented below by CGU:

	2023		2022	
Country	After-tax discount rate	Perpetual growth rate	After-tax discount rate	Perpetual growth rate
France	7.0%	1.6%	6.3%	1.6%
Spain	7.6%	1.7%	6.9%	1.7%
Italy	8.6%	2.0%	8.2%	2.0%
Belgium	7.1%	2.0%	6.4%	1.7%
Poland	9.0%	2.5%	8.4%	2.5%
Romania	10.2%	2.5%	9.5%	2.5%
Brazil	11.3%	3.0%	10.6%	3.0%
Argentina	58.2%	32.5%	56.4%	32.2%

7.4 Investment property

Accounting principles

IAS 40 – *Investment Property* defines investment property as property (land or a building or both) held to earn rentals or for capital appreciation or both. Based on this definition, investment property held by the Group consists of shopping malls (retail and service units located behind the stores' check-out area) that are exclusively or jointly owned and represent a surface area of at least 2,500 square metres. These assets generate cash flows that are largely independent of the cash flows generated by the Group's other retail assets.

Investment property is recognised at cost and is depreciated on a straight-line basis over the same period as owner-occupied property (see Note 7.2).

Rental revenue generated by investment property is reported in the income statement under "Other revenue" on a straight-line basis over the lease term. The incentives granted by the Group under its leases are an integral part of the net rental revenue and are recognised over the lease term (see Note 6.1).

The fair value of investment property is measured once a year:

- by applying a multiple that is a function of (i) each shopping mall's profitability and (ii) a country-specific capitalisation rate, to the gross annualised rental revenue generated by each property; or
- by obtaining independent valuations prepared using two methods: the discounted cash flows method and the yield method. Valuers generally also compare the results of applying these methods to market values per square metre and to recent transaction values.

In view of the limited external data available, particularly concerning capitalisation rates, the complexity of the property valuation process and the use of passing rents to value the Group's own properties, the fair value of investment property is determined on the basis of level 3 inputs.

(in millions of euros)	December 31, 2023	December 31, 2022
Investment property (gross carrying amount)	493	502
Depreciation and impairment	(231)	(223)
TOTAL INVESTMENT PROPERTY, NET	**262**	**279**

CHANGES IN INVESTMENT PROPERTY

(in millions of euros)	Net carrying amount
At December 31, 2021	**291**
Disposal of Carrefour Taiwan(1)	(54)
Acquisitions	3
Other disposals	(0)
Depreciation	(12)
Exchange differences	(0)
Transfers and other movements(2)	51
At December 31, 2022	**279**
Acquisitions	4
Disposals	(0)
Depreciation	(12)
Exchange differences(3)	(26)
Transfers and other movements(2)	18
At December 31, 2023	**262**

(1) The amounts reported on this line related to investment property owned by Carrefour Taiwan (classified in discontinued operations in 2022 – see Note 2.1.3) at January 1, 2022. Accordingly, other changes shown in this table for 2022 did not include amounts relating to Carrefour Taiwan in the period. Carrefour Taiwan was sold on June 30, 2023.

(2) In 2022 and 2023, transfers and other movements correspond mainly to the hyperinflation effect applied to investment property held in Argentina, in accordance with IAS 29.

(3) Exchange differences mainly reflect the sharp decline in the value of the Argentine peso at the reporting date, partially offset by the slight increase in the value of the Polish zloty and Brazilian real.

Rental revenue generated by investment property, reported in the income statement under "Other revenue", totalled 53 million euros in 2023 versus 45 million euros in 2022. Operating costs directly attributable to the properties amounted to 14 million euros in 2023 and 11 million euros in 2022.

The estimated fair value of investment property at December 31, 2023 was 691 million euros versus 729 million euros at December 31, 2022 based on the independent appraisal report drawn up in Argentina. The lower fair value essentially reflects the sharp decline in the value of the Argentine peso at the reporting date, partially offset by the effect of hyperinflation in Argentina in application of IAS 29.

NOTE 8 LEASES

Accounting principles

Leases concern:

- mainly property assets, both used directly by the Group and sublet to third parties, such as store premises sublet to franchisees and retail units located in shopping malls and shopping centres;
- to a lesser extent, vehicles; as well as
- a few warehousing, IT and storage contracts with a lease component.

Since January 1, 2019, all leases (excluding the recognition exemptions set out in IFRS 16 – see below) have been included in the statement of financial position by recognising a right-of-use asset and a lease commitment corresponding to the present value of the lease payments due over the reasonably certain term of the lease.

In the income statement, IFRS 16 provides for the recognition of a depreciation charge in recurring operating expenses and an interest charge in financial income and expenses.

In the statement of cash flows, lease payments, representing payments of interest and repayments of the lease commitment, impact financing cash flows.

RECOGNITION OF LEASE COMMITMENTS

Amounts taken into account in the initial measurement of the lease commitment are:

- fixed lease payments, less any lease incentives receivable from the lessor;
- variable lease payments that depend on an index or a rate;
- amounts expected to be payable under residual value guarantees;
- the exercise price of a purchase option if the option is reasonably certain to be exercised; and
- penalties for terminating or not renewing the lease, if this is reasonably certain.

Lease payments are discounted at the interest rate implicit in the lease if this can be readily determined and otherwise at the lessee's incremental borrowing rate (case applied in practice). The discount rate is tied to the weighted average date for repayment of the outstanding lease commitment.

The discount rate is calculated for each country using a risk-free yield curve and a spread (the same spread is applied for all subsidiaries in a given country). The risk-free yield curve is updated quarterly, while the spread and rating are updated annually, except in the case of a significant event expected to impact assessment of a subsidiary's credit risk.

This lease commitment is subsequently measured at amortised cost using the effective interest method.

The lease commitment may be adjusted if the lease has been modified or the lease term has been changed, or in order to take into account contractual changes in lease payments resulting from a change in an index or a rate used to determine those payments.

RECOGNITION OF RIGHT-OF-USE ASSETS

Right-of-use assets are measured at cost, which includes:

- the amount of the initial measurement of the lease commitment;
- any prepaid lease payments made to the lessor;
- any initial direct costs incurred;
- an estimate of the costs to be incurred in dismantling the underlying asset or restoring the underlying asset to the condition required by the terms and conditions of the lease.

Right-of-use assets are then depreciated on a straight-line basis over the lease term used to measure the lease commitment.

The value of the right-of-use asset may be adjusted if the lease has been modified or the lease term has been changed, or in order to take into account contractual changes in lease payments resulting from a change in an index or a rate used to determine those payments. In the event the lease is terminated before the end of the lease term under IFRS 16, the impact of derecognising the right-of-use asset (write-off of a non-current asset) and lease commitment will be included within non-recurring items.

When the lease contracts provide for initial payment of leasehold rights to the former lessee of the premises, these rights will be accounted for as a component of the right-of-use asset.

Payments under short-term leases (12 months or less) or under leases of a low-value underlying asset are recognised in recurring operating expenses on a straight-line basis over the lease term (IFRS 16 recognition exemptions).

The recoverable amount of the right-of-use asset is tested for impairment whenever events or changes in the market environment indicate that the asset may have suffered a loss in value. Impairment testing procedures are identical to those for property and equipment and intangible assets described in Note 7.3.

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LEASE TERM

The lease term to be used to determine the present value of lease payments is the non-cancellable period of a lease, adjusted to reflect:

- periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option;
- periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The leased assets' reasonably certain period of use is determined based on:

- the inherent characteristics of the different types of assets (stores, logistics warehouses, administrative buildings) and the country concerned by the lease. In the case of leased store premises, the characteristics taken into account include the store's profitability, the specificity of the format, any recent capital expenditure in the store, the net carrying amount of immovable assets for certain store formats (supermarkets, hypermarkets and cash & carry stores), the existence of significant termination penalties, and whether the store is integrated or franchised;
- a portfolio approach for leased vehicles with similar characteristics and periods of use. Four portfolios have been identified, corresponding to company cars, cars for rental to customers, trucks and light commercial vehicles.

ACCOUNTING TREATMENT FOR SUBLEASING ARRANGEMENTS

When the Group leases and then sublets a property, it recognises the main lease, for which it is the lessee, and the sublease, for which it is the lessor, as two different contracts.

If the sublease is classified as an operating lease, the right-of-use assets resulting from the main lease are maintained under assets in the statement of financial position and the proceeds from the sublease are recognised in recurring income for the term of the sublease.

If the sublease is classified as a finance lease:

- right-of-use assets resulting from the main lease are de-recognised;
- a receivable is recognised in an amount corresponding to the net investment in the sublease;
- any difference between the right-of-use assets and the net investment in the sublease is recognised in financial income and expenses;
- the lease commitment (in respect of the main lease) is maintained in liabilities.

SALE AND LEASEBACK TRANSACTIONS

When the Group enters into a sale and leaseback transaction classified as a sale in accordance with IFRS 15, a right to use the leased asset (right-of-use asset) is recognised as a portion of the previous carrying amount of the underlying asset, corresponding to the right of use granted in exchange for the commitment to make lease payments, as defined by IFRS 16. Gains and losses on these transactions are recognised in non-recurring income and expenses in proportion to the rights effectively transferred to the buyer-lessor.

INCOME TAX

Deferred tax is recognised based on the gross amount of temporary taxable and deductible differences. Deferred tax is recognised upon initial recognition of the right-of-use asset and lease commitment.

The change in right-of-use assets and lease commitments compared to December 31, 2022 mainly reflects the consolidation of those items recognised following the sale and leaseback of the real estate of five stores and four warehouses in Brazil and of six hypermarkets in Spain (Note 2.1.5), along with the consolidation of the leases relating to Cora in Romania following the acquisition of 19 leased stores (Note 2.1.1.1). The increase in right-of-use assets and lease commitments was partially offset by depreciation and lease payments made during the year.

8.1 Right-of-use assets

	December 31, 2023				December 31, 2022			
(in millions of euros)	Gross carrying amount	Depre-ciation	Impair-ment	Net carrying amount	Gross carrying amount	Depre-ciation	Impair-ment	Net carrying amount
Land & Buildings	8,206	(3,784)	(81)	4,342	7,154	(3,036)	(49)	4,068
Equipment, fixtures and fittings	147	(24)	–	123	143	(22)	–	121
TOTAL RIGHT-OF-USE ASSET	**8,354**	**(3,808)**	**(81)**	**4,464**	**7,297**	**(3,058)**	**(49)**	**4,190**

CHANGE IN RIGHT-OF-USE ASSETS

(in millions of euros)	Gross carrying amount	Depreciation and impairment	Net carrying amount
At December 31, 2021	**7,155**	**(2,795)**	**4,361**
Disposal of Carrefour Taiwan[(1)]	(831)	399	(432)
Increase[(2)]	906	–	906
Decrease	(404)	222	(182)
Depreciation	–	(892)	(892)
Impairment	–	(46)	(46)
Exchange differences	(7)	(1)	(8)
Changes in scope of consolidation[(3)]	485	–	485
Other movements	(7)	5	(2)
At December 31, 2022	**7,297**	**(3,108)**	**4,190**
Increase[(2)]	1,336	–	1,336
Decrease	(369)	160	(210)
Depreciation	–	(928)	(928)
Impairment	–	(43)	(43)
Exchange differences[(4)]	38	(5)	34
Changes in scope of consolidation[(3)]	98	3	101
Other movements	(47)	31	(15)
At December 31, 2023	**8,354**	**(3,889)**	**4,464**

(1) In 2022, the amounts reported on this line related to right-of-use assets held by Carrefour Taiwan (classified in discontinued operations in 2022 – see Note 2.1.3) at January 1, 2022. Accordingly, other changes shown in this table for 2022 did not include amounts relating to Carrefour Taiwan in the period. Carrefour Taiwan was sold on June 30, 2023.

(2) In 2023, increases notably include the right-of-use assets booked following the sale and leaseback of the real estate of five stores and four warehouses in Brazil for 105 million euros, and of six hypermarkets in Spain for 62 million euros (see Note 2.1.5). In 2022, the increases were linked to the sale and leaseback of nine hypermarkets and five supermarkets in Spain for an amount of 44 million euros.

(3) In 2023, changes in the scope of consolidation mainly reflect the inclusion of the right-of-use assets of the stores leased by Cora in Romania for 104 million euros (see Note 2.1.1.1). In 2022, changes in the scope of consolidation corresponded mainly to the inclusion of the right-of-use assets of the stores leased by Grupo BIG since June 1, 2022 (see Note 2.1.1.3).

(4) In 2023, exchange differences primarily reflect the increase in the value of the Brazilian real and the Polish zloty at the reporting date, partially offset by the decline in the value of the Argentine peso.

8.2 Lease commitments

LEASE COMMITMENTS BY MATURITY

(in millions of euros)	December 31, 2023	December 31, 2022
Due within 1 year	1,007	955
Due in 1 to 2 years	857	794
Due in 2 to 5 years	1,510	1,432
Due beyond 5 years	1,526	1,349
TOTAL LEASE COMMITMENTS	**4,901**	**4,530**

NOTE 9 INVESTMENTS IN COMPANIES ACCOUNTED FOR BY THE EQUITY METHOD

Accounting principles

The consolidated statement of financial position includes the Group's share of the change in the net assets of companies accounted for by the equity method (associates and joint ventures), as adjusted to comply with Group accounting policies, from the date when significant influence or joint control is acquired until the date when it is lost.

Companies accounted for by the equity method are an integral part of the Group's operations and the Group's share of their net profit or loss is therefore reported as a separate component of recurring operating income ("Net income/(loss) of equity-accounted companies"), in accordance with recommendation no. 2020-01 of the French accounting standards setter (ANC).

The carrying amount of investments in equity-accounted companies is tested for impairment in line with the accounting principles described in Note 7.3.

9.1 Changes in investments in equity-accounted companies

Changes in investments in equity-accounted companies can be analysed as follows:

(in millions of euros)	
At December 31, 2021	**1,256**
Acquisitions and capital increases	15
Disposals	(52)
Dividends	(76)
Share of net income	50
Exchange differences and other movements	5
At December 31, 2022	**1,197**
Acquisitions and capital increases	2
Disposals	–
Dividends	(82)
Share of net income	44
Exchange differences and other movements	(20)
At December 31, 2023	**1,142**

9.2 Information about associates

The following table shows key financial data for associates:

(in millions of euros)	% interest	Total assets	Shareholders' equity	Non-current assets	Net sales/ Revenues	Net income/ (loss)
Carmila (France)	36%	5,514	2,167	4,411	370	62
Provencia (France)	50%	454	300	271	900	21
Market Pay (France)	35%	494	167	358	141	(13)
Showroomprive.com (France)(1)	9%	448	201	224	657	0
Ulysse (Tunisia)	25%	131	99	117	363	9
Costasol (Spain)	34%	106	51	54	179	9
CarrefourSA (Turkey)(1)	32%	385	(39)	149	962	(9)
Other companies(2)	N/A	998	354	556	2,174	41

(1) Financial data published for the year 2022.
(2) Corresponding to a total of 225 companies, none of which is individually material.

At December 31, 2023, the two main associates were Carmila with a carrying amount of 707 million euros (December 31, 2022: 754 million euros) and Provencia with a carrying amount of 137 million euros (December 31, 2022: 134 million euros). These two associates represented 74% of the total value of equity-accounted companies at end-2023.

All of the summary financial data presented in the table above have been taken from the financial statements of associates, restated where necessary to reflect adjustments made to harmonise accounting methods on application of equity accounting. These data have not been adjusted for any changes in fair value recognised at the time of the acquisition or for any loss of control and elimination of the Group's share of profit or loss arising on asset disposals or acquisitions carried out between the Group and the associate.

MAIN CHANGES IN INVESTMENTS IN EQUITY-ACCOUNTED COMPANIES IN 2023

Carmila (France)

In first-half 2023, Carmila carried out a share buyback programme followed by cancellation of the shares, representing approximately 1.0% of the share capital. This led to an increase in Carrefour's interest in Carmila, from 36.0% at December 31, 2022 to 36.4% at December 31, 2023.

Market Pay (France)

In the second half of 2023, Market Pay finalised the acquisition of Polish fintech Novelpay, notably through the issue of new shares. This led to a decrease in Carrefour's interest in Market Pay, from 38.6% at December 31, 2022 to 35.0% at December 31, 2023.

Showroomprivé (France)

Additional impairment of 7 million euros on the Showroomprivé shares was recognised against non-recurring income and expenses in order to align their value with the company's share price at December 31, 2023.

Adialéa (France)

In July 2023, Adialéa carried out a capital increase to which Carrefour elected not to subscribe, leading to the dilution of the Group's interest in that company, from 5.0% at December 31, 2022 to 3.0% at December 31, 2023.

The dilutive or accretive effects of the above transactions are not material and were recognised in non-recurring income and expenses in accordance with the Group's accounting principles.

FOCUS ON CARMILA

Carmila was set up in 2014 by the Group and its co-investment partners. Its corporate purpose is to enhance the value of the shopping centres adjacent to Carrefour hypermarkets in France, Spain and Italy. Carmila is accounted for by the equity method because the governance rules established with the co-investors allow Carrefour to exercise significant influence over Carmila.

Up until its merger with Cardety on June 12, 2017, Carmila's governance was organised by a shareholders' agreement between Carrefour (which held a 42% stake in Carmila) and other institutional investors (which held the remaining 58% stake). This agreement specified the composition of the Board of Directors and listed the decisions requiring the Board's prior approval (votes subject to a simple or qualified majority, depending on the importance of the matters discussed).

In parallel with the merger of Carmila into Cardety, the corporate governance rules were adjusted (restructuring of its governance and management bodies, and amendments to its Articles of Association and the Board of Directors' Internal Rules). In light of the amended corporate governance rules, the Group considers that it has significant influence over Carmila, which is accounted for using the equity method. This position is primarily derived from the fact that the Carrefour group is not represented by a majority on the Board of Directors (comprising 13 members, of which nine independent from Carrefour and four appointed by Carrefour as of December 31, 2023). Therefore, the Group does not have the unilateral ability to direct decisions requiring the Board's prior consent, which concern a portion of the relevant activities.

The following table presents key financial data for Carmila at December 31, 2023 and 2022 (as published in Carmila's consolidated financial statements). Carmila's European Public Real Estate Association Net Tangible Assets (EPRA NTA), corresponding to net assets excluding transfer costs, financial instruments at fair value and the deferred tax effect, amounted to 3,443 million euros at December 31, 2023.

(in millions of euros)	2023	2022
Revenue (rental income)	369	357
Operating income before fair value adjustment of assets	292	291
Operating income(1)	85	298
Net income/(loss) from continuing operations	9	221
Total non-current assets(1)	5,686	5,976
Total current assets	1,045	538
of which cash and cash equivalents	*860*	*357*
Total non-current liabilities	2,703	2,765
Total current liabilities	734	241
% interest held by Carrefour	*36.4%*	*36.0%*
Carrefour – Value of Carmila's shares accounted for by the equity method	707	754
Carrefour – Cash dividends received from Carmila	61	52

(1) Since Carmila opted to measure its investment properties using the fair value model, in accordance with the option provided in IAS 40, the figures presented in the above table have been adjusted to reflect fair value adjustments to the property portfolio. Before being accounted for by the equity method in the Group financial statements, Carmila's consolidated financial statements are therefore restated to apply the cost model applied by Carrefour.

9.3 Transactions with associates (related parties)

The following table presents the main related-party transactions carried out in 2023 with companies over which the Group exercises significant influence:

(in millions of euros)	Carmila (France)	Provencia (France)	Market Pay (France)	Ulysse (Tunisia)	Costasol (Spain)	CarrefourSA (Turkey)
Net sales (sales of goods)	–	623	–	4	107	–
Franchise fees	–	8	–	2	8	4
Property development revenue(1)	30	–	–	–	–	–
Sales of services	19	–	–	–	0	–
Fees and other operating expenses	(8)	–	(120)	–	(7)	–
Receivables at closing	7	22	2	1	20	1
Payables at closing	(7)	–	(8)	–	(8)	(1)

(1) Amounts are presented before elimination of the Group's share in the associate of revenues and proceeds arising on transactions carried out between the Group and the associate.

NOTE 10 INCOME TAX

Accounting principles

Income tax expense comprises current taxes and deferred taxes. It includes the *Cotisation sur la Valeur Ajoutée des Entreprises* (CVAE), a local business tax in France assessed on the value-added generated by the business, which is reported under income tax expense because the Group considers that it meets the definition of a tax on income contained in IAS 12 – *Income Tax*.

Deferred taxes are calculated on all temporary differences between the carrying amount of assets and liabilities in the consolidated statement of financial position and their tax basis (except in the specific cases referred to in IAS 12), and carried-forward tax losses. They are measured based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period. Deferred tax assets and liabilities are not discounted and are classified in the statement of financial position under non-current assets and non-current liabilities.

The recoverability of deferred tax assets is assessed separately for each tax entity, based on estimates of future taxable profits contained in the business plan for the country concerned (prepared as described in Note 7.3) and the amount of deferred tax liabilities at the period-end. A valuation allowance is recorded to write down deferred tax assets whose recovery is not considered probable.

10.1 Income tax expense for the period

(in millions of euros)	2023	2022
Current income tax expense (including provisions)	(341)	(362)
Deferred income taxes	(98)	(46)
TOTAL INCOME TAX EXPENSE	**(439)**	**(408)**

TAX PROOF

Theoretical income tax for 2023 and 2022 has been calculated by multiplying consolidated income before tax by the standard French corporate income tax rate. For 2023, theoretical income tax expense amounted to 346 million euros compared with actual net income tax expense of 439 million euros, as follows:

(in millions of euros)	2023	2022
Income before taxes	1,339	1,973
Standard French corporate income tax rate	*25.83%*	*25.83%*
Theoretical income tax expense	**(346)**	**(510)**
Adjustments to arrive at effective income tax rate:		
■ Differences between the standard French corporate income tax rate and overseas nominal taxation rates	(7)	(51)
■ Effect of changes in applicable tax rates	–	0
■ Tax expense and tax credits not based on the taxable income[1]	97	129
■ Tax effect of other permanent differences[2]	(43)	53
■ Deferred tax assets recognised on temporary differences and tax loss carryforwards of previous years[3]	7	33
■ Deferred tax assets not recognised on temporary differences and tax loss carryforwards arising in the year[4]	(153)	(71)
■ Valuation allowances on deferred tax assets recognised in prior years[4]	(5)	(4)
■ Tax effect of net income from equity-accounted companies	11	13
■ Other differences	(2)	(1)
TOTAL INCOME TAX EXPENSE	**(439)**	**(408)**
Effective tax rate (ETR)	***32.8%***	***20.7%***

(1) The reported amount of taxes other than on income notably takes into account the CVAE local business tax in France, which fell to 19 million euros in 2023 (2022: 37 million euros) due to the halving of the applied rate, as well as withholding taxes, tax credits and changes in provisions for tax risks. In 2022, it also included income of 52 million euros resulting from the decision of the Brazilian Supreme Court not to tax certain tax credits.
(2) In 2023 and 2022, this item includes the tax saving relating to notional interest paid by the Brazilian subsidiary Atacadão, which dropped sharply following the significant reduction in the amount paid in 2023.
In 2023, this item also includes non-deductible expenses relating to the disposal of equity investments in France and losses incurred on the conversion of Grupo BIG stores in Brazil.
(3) In 2022, deferred tax assets recognised on prior years' tax losses primarily concerned France and Brazil.
(4) In 2023, unrecognised deferred tax assets and valuation allowances chiefly concerned Grupo BIG in Brazil, Italy and Belgium, and Carrefour Banque in France. In 2022, they concerned to a lesser extent Grupo BIG in Brazil, Italy and Belgium.

10.2 Deferred tax assets and liabilities

The Group had a net deferred tax asset of 95 million euros at December 31, 2023, versus 110 million euros at December 31, 2022 as restated for IFRS 3.

(in millions of euros)	December 31, 2023	December 31, 2022 IFRS 3 restated[1]
Deferred tax assets (DTA)	395	475
Deferred tax liabilities (DTL)	(300)	(365)
NET DEFERRED TAX ASSETS	**95**	**110**

(1) See Note 4.

The following table shows the main sources of deferred taxes:

(in millions of euros)	December 31, 2022 IFRS 3 restated & IAS 12[(1)(2)]	Change: Deferred income (expense) tax	Change: Income tax on other comprehensive income (OCI)	Change: Changes in consolidation scope, translation adjustment, other[(3)]	December 31, 2023
Tax loss carryforwards[(4)]	1,483	44	–	20	1,548
Lease commitments and restoring assets at the end of the property leases[(2)]	1,200	73	–	15	1,288
Non-deductible provisions[(1)]	1,029	(80)	9	67	1,026
Goodwill amortisation allowed for tax purposes[(1)]	343	63	–	0	407
Inventories	129	3	–	(11)	121
Financial instruments	14	(8)	2	21	29
Other temporary differences[(2)]	284	(10)	(0)	(86)	186
Deferred tax assets before netting	**4,483**	**85**	**11**	**27**	**4,605**
Effect of netting deferred tax assets and liabilities[(1)(2)]	(1,912)	(46)	8	3	(1,947)
Deferred tax assets after netting	**2,571**	**39**	**19**	**30**	**2,659**
Valuation allowances on deferred tax assets	(2,097)	(118)	(2)	(48)	(2,264)
Net deferred tax assets	**475**	**(79)**	**18**	**(18)**	**395**
Right-of-use assets and sub-lease receivable[(2)]	(1,129)	(45)	–	(15)	(1,188)
Property and equipment	(424)	(47)	–	79	(391)
Provisions recorded solely for tax purposes	(257)	10	–	(0)	(247)
Goodwill amortisation allowed for tax purposes	(113)	–	–	(5)	(118)
Financial instruments	(60)	14	32	0	(14)
Other temporary differences	(294)	2	(0)	2	(290)
Deferred tax liabilities before netting	**(2,277)**	**(65)**	**31**	**63**	**(2,247)**
Effect of netting deferred tax assets and liabilities[(1)(2)]	1,912	46	(8)	(3)	1,947
Deferred tax liabilities after netting	**(365)**	**(19)**	**23**	**61**	**(300)**
NET DEFERRED TAXES	**110**	**(98)**	**40**	**42**	**95**

(1) Deferred tax assets and liabilities were retrospectively restated in Grupo BIG's opening balance sheet in a negative amount of 1 million euros with a corresponding adjustment to goodwill in accordance with IFRS 3 (see Note 4).

(2) In accordance with the amendments to IAS 12 – Income Taxes, deferred tax relating to assets and liabilities arising from a single transaction are presented prior to offsetting. The reversal of offsetting shown in the table above concerns right-of-use assets along with lease commitments and provisions for the associated restoration costs.

(3) The assets side of this column includes reclassifications of items in Brazil from the "Other temporary differences" line to the "Non-deductible provisions" and "Financial instruments" lines.

(4) At December 31, 2023, the amount of deferred tax assets and write-downs of deferred tax assets relating to tax loss carryforwards primarily concerns Brazil and Italy.

10.3 Unrecognised deferred tax assets

Unrecognised deferred tax assets amounted to 2,264 million euros at December 31, 2023 (December 31, 2022: 2,097 million euros), including 1,481 million euros related to tax loss carry forwards (December 31, 2022: 1,282 million euros) and 784 million euros to temporary differences (December 31, 2022: 816 million euros).

NOTE 11 PROVISIONS AND CONTINGENT LIABILITIES

Accounting principles

In accordance with IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets*, a provision is recorded when, at the period-end, the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. This obligation may be legal, regulatory or contractual, or even implicit. The amount of the provision is estimated based on the nature of the obligation and the most probable assumptions. Provisions are discounted when the effect of the time value of money is material.

Contingent liabilities, which are not recognised in the statement of financial position, are defined as:

- possible obligations that arise from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group; or
- present obligations that arise from past events but are not recognised because it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

11.1 Changes in provisions

(in millions of euros)	December 31, 2022 IFRS 3 restated(4)	Increases	Reversals of surplus provisions(5)	Utilisations	Discounting adjustment	Exchange differences, changes in scope of consolidation and other(6)	December 31, 2023
Employee benefits	537	67	(35)	(49)	36	(11)	545
Claims and litigation	2,773	445	(333)	(238)	–	70	2,717
Tax litigations	*1,773*	*102*	*(126)*	*(41)*	–	*61*	*1,770*
Employee related disputes	*599*	*207*	*(131)*	*(142)*	–	*8*	*541*
Legal disputes	*401*	*136*	*(76)*	*(56)*	–	*2*	*406*
Restructuring(1)	138	216	(13)	(104)	–	0	239
Provisions related to banking and insurance businesses(2)	280	63	(22)	(46)	–	2	278
Other(3)	251	22	(35)	(19)	–	14	233
TOTAL PROVISIONS	**3,979**	**814**	**(436)**	**(456)**	**36**	**76**	**4,012**

(1) See Notes 2.2 and 6.3.
(2) Provisions relating to the banking and insurance businesses notably include provisions for credit risks on loan commitments (off-balance sheet) recognised in accordance with IFRS 9, and provisions set aside to cover insurance underwriting risk.
Out of the provisions relating to the estimated cost of the claim arising from the fire that occurred in March 2022 in the Yang Mei logistics centre in Taiwan, 24 million euros were reversed (utilised) during the period following payment by the Group's insurance companies of the balance of the compensation due (see Note 2.1.3).
(3) Other provisions notably include provisions for dismantling or restoring assets at the end of the property leases, provisions for employee benefits of stores transferred to lease management contracts and provisions for onerous contracts.
(4) Provisions for tax and labour risks have been retrospectively restated in Grupo BIG's opening balance sheet with a corresponding adjustment to goodwill in accordance with IFRS 3 (see Notes 2.1.1.3 and 4).
(5) Reversals of surplus provisions mainly concern Brazil and relate to tax and labour risks for which the statute of limitations has expired or for which judgements were handed down in favour of the Group.
(6) Exchange differences totalled 79 million euros, corresponding almost entirely to the slight increase in the value of the Brazilian real over the period. Other changes mainly correspond to the reclassification of the provision for employee benefits to other provisions for 11 million euros following the transfer of integrated stores to lease management contracts in France in 2023.

Group companies are involved in a certain number of pre-litigation and litigation proceedings in the normal course of business. They are also subject to tax audits that may result in reassessments. The main claims and legal proceedings are described below. In each case, the risk is assessed by Group management and their advisors.

At December 31, 2023, claims and legal proceedings involving the Group were covered by provisions totalling 2.72 billion euros, compared with 2.77 billion euros at December 31, 2022, as restated for IFRS 3. No details are provided because the Group considers that disclosure of the amount set aside in each case could be seriously detrimental to its interests.

11.2 Claims and litigation

In the normal course of its operations in eight integrated countries, the Group is involved in claims and legal proceedings of all kinds, particularly tax, employee-related and commercial disputes.

11.2.1 Tax disputes (including disputes related to corporate income tax classified in tax payables)

Certain Group companies have been or are currently the subject of tax audits conducted by their local tax authorities.

In Brazil, Carrefour is exposed to tax risks, in particular relating to the tax on the distribution of goods and services (ICMS), related tax credits (determination of the amounts claimable and documentation of the claims), and federal contributions to the social integration programme and to the financing of the social security system (PIS-COFINS). The Group has challenged most of the assessments, particularly the constitutionality of certain legislative provisions on which they are based. The estimated risk in each case is reviewed regularly with the Carrefour Brazil group's advisors and an appropriate provision is recorded. At December 31, 2023, the corresponding provision totalled 1,653 million euros (versus 1,651 million euros at December 31, 2022 as restated for IFRS 3) and legal deposits paid in connection with reassessments contested by the Group – recorded in "Other non-current financial assets" (see Note 14.5) – amounted to 444 million euros (393 million euros at December 31, 2022).

11.2.2 Employee related disputes

As a major employer, the Group is regularly involved in disputes with current or former employees.

In addition, disputes may also arise from time to time with a large group of current or former employees. In Brazil, many former employees have initiated legal proceedings against the Group, notably claiming overtime pay that they allege is due to them.

11.2.3 Tax and commercial disputes

The Group is subject to regular audits by the various authorities responsible for overseeing compliance with competition, consumer and all other applicable laws. As for any company, disputes may also arise between the Group and its co-contractors, particularly its franchisees, service providers or suppliers.

11.3 Contingent liabilities

To the best of the Group's knowledge, there are no contingent liabilities that may be considered likely to have a material impact on the Group's results, financial position, assets and liabilities or business.

In Brazil, due to the highly complex tax rules, especially those applicable to retailers, the Group is exposed to tax risks which the Group and its counsel consider are unlikely to lead to an outflow of resources. The tax risks represented a total exposure of 2.1 billion euros at December 31, 2023 (an increase of approximately 0.4 billion euros versus December 31, 2022, mainly due to the fact that the reassessments notified in previous fiscal years have been extended to new fiscal years, and to the slight increase in the value of the Brazilian real). The main tax risk concerns the deductibility for tax purposes of the goodwill amortisation relating to the 2007 acquisition of Atacadão, representing a total exposure of 616 million euros (including costs) at December 31, 2023. The Group continues to believe that the risk is unlikely to lead to an outflow of resources.

The investigations launched since 2018 by the French competition authority regarding purchasing cooperatives in the predominantly food-based segment of the retail industry are still pending.

Along with some 100 companies and roughly 15 professional associations (including the French Trade and Retail Federation – Fédération du Commerce et de la Distribution), several French subsidiaries of Carrefour SA received a statement of objections from the French competition authority on October 5, 2021 as part of a simplified procedure accusing them of having coordinated between February 2012 and September 2015 to implement a collective strategy aimed at:

(i) refraining from any reporting on the absence of Bisphenol A (BPA) in metal containers in order to prevent any single company from gaining a competitive advantage, and

(ii) agreeing to set the same dates for the marketing of BPA-free containers and the discontinuation of marketing of containers with BPA.

On December 29, 2023, the French Trade and Retail Federation, Carrefour SA and its subsidiaries were acquitted.

On October 1, 2019, Carrefour Argentina (INC SA) and its former Chairman were accused of complicity in unauthorised financial intermediation, with the alleged events occurring between 2012 and 2015 in a context of hyperinflation. On December 5, 2022, INC SA and its former Chief Executive Officer were acquitted. This decision was appealed by Argentina's Central Bank on December 13, 2022. INC SA and its former Chairman were acquitted by a final judgement dated September 1, 2023.

In August 2019, Atacadão SA announced two criminal proceedings initiated by the State of São Paolo's public prosecutor (GEDEC) against public officials and company employees concerning the conditions under which the operating licences for the headquarters of Atacadão and two stores were renewed. Atacadão SA not being party to these criminal proceedings, the municipality of São Paolo initiated two civil proceedings against the company on June 27, 2020 and May 25, 2021. In a decision dated March 14, 2023, the municipality of São Paulo dismissed Atacadão SA's liability and terminated the proceedings initiated on June 27, 2020. The proceedings were effectively terminated on April 12, 2023.

NOTE 12 NUMBER OF EMPLOYEES, EMPLOYEE COMPENSATION AND BENEFITS

Accounting principles

Group employees receive short-term benefits (paid vacation, paid sick leave and statutory profit-sharing bonuses), long-term benefits (such as long-service awards and seniority bonuses) and post-employment benefits (such as length-of-service awards and supplementary pension benefits). Post-employment benefits may correspond to either defined contribution or defined benefit plans.

All of these benefits are accounted for in accordance with IAS 19 – *Employee Benefits*. Short-term benefits (i.e., benefits expected to be settled wholly before 12 months after the end of the annual reporting period in which the employees render the related services) are classified as current liabilities (under "Other current payables") and recorded as an expense for the year in which the employees render the related services (see Note 6.2.2). Post-employment benefits and other long-term benefits are measured and recognised as described in Note 12.1.

Two types of share-based payment plans have been set up for management and selected employees – stock option plans and performance share plans. These plans fall within the scope of IFRS 2 – *Share-based Payment* and are accounted for as described in Note 12.2.

12.1 Pension and other post-employment benefits

Accounting principles

Post-employment benefits are employee benefits that are payable after the completion of employment. The Group's post-employment benefit plans include both defined contribution plans and defined benefit plans.

DEFINED CONTRIBUTION PLANS

Defined contribution plans are post-employment benefit plans under which the Group pays regular contributions into a separate entity that is responsible for the plan's administrative and financial management as well as for the payment of benefits, such that the Group has no further obligation. These plans include government-sponsored pension schemes, defined contribution supplementary pension plans and defined contribution pension funds.

The contributions are recorded as an expense for the period in which they become due.

DEFINED BENEFIT AND LONG-TERM BENEFIT PLANS

A liability is recognised for defined benefit obligations that are determined by reference to the plan participants' years of service with the Group.

The defined benefit obligation is calculated annually using the projected unit credit method, taking into account actuarial assumptions such as future salary levels, retirement age, mortality, staff turnover and the discount rate.

The discount rate corresponds to the interest rate observed at the period-end for investment grade corporate bonds with a maturity close to that of the defined benefit obligation. The calculations are performed by a qualified actuary.

The net liability recorded for defined benefit plans corresponds to the present value of the defined benefit obligation less the fair value of plan assets (if any). The cost recognised in the income statement comprises:

- current service cost, past service cost and the gain or loss on plan amendments or settlements (if any), recorded in operating expense;
- interest expense on the defined benefit liability, net of interest income on the plan assets, recorded in net financial expense.

Remeasurements of the net defined benefit liability (comprising actuarial gains and losses, the return on plan assets and any change in the effect of the asset ceiling) are recognised immediately in "Other comprehensive income".

12.1.1 Description of the main defined benefit plans

The main defined benefit plans concern supplementary pension benefits paid annually in some countries to retired employees of the Group, and length-of-service awards provided for in collective bargaining agreements that are paid to employees upon retirement. The plans, which are presented below, mainly concern France, Belgium and Italy.

French plans

Group employees in France are entitled to a length-of-service award when they retire, determined in accordance with the law and the applicable collective bargaining agreement. The award is measured as a multiple of the individual's monthly salary for the last 12 months before retirement, determined by reference to his or her years of service, and may be capped for certain plans in place.

Following the enactment of France's amended social security financing law no. 2023-270 on April 15, 2023, the pension reform has been taken into account in determining provisions for defined benefit plans at December 31, 2023: the changes brought about by this reform have been analysed as a plan amendment within the meaning of IAS 19; the impact has been treated accordingly as a past service cost and therefore recognised in operating income.

Furthermore, as a reminder, the Board of Directors decided at its April 20, 2020 meeting to set up a supplementary defined benefit pension plan that meets the requirements of Article L. 137-11-2, as amended, of the French Social Security Code (*Code de la sécurité sociale*), effective from January 1, 2020. The main characteristics of the plan are as follows:

- beneficiaries will retain the annual rights accrued in the event that they leave the Company;
- the rights accrued in a given year will be calculated based on the compensation for that year (reference compensation), without exceeding 60 times the annual social security ceiling;
- rights vest subject to the achievement of annual performance conditions: the performance criteria and specified targets are chosen among those used by the Board of Directors to determine the annual variable component of the Executive Officer's compensation;
- the annual vesting rate under the plan will vary depending on the achievement rates for the performance criteria, and the aggregate annual percentages applied for a given beneficiary, all employers combined, will be capped at 30%.

The Group has externalised the plan's management to an insurance company, through a deferred annuity contract fully invested in euro-denominated funds.

Belgian plans

The Group's main commitments in Belgium concern "prepensions" and the "solidarity fund".

The prepension scheme provides for the payment of unemployment benefits during the period from the retirement age proposed in the collective bargaining agreement to the statutory retirement age. Carrefour is committed to topping up the benefits paid by the Belgian State, so that the individuals concerned receive 95% of their final net salary. The retirement age under Belgian law, amended in 2015, is 65 (unless otherwise provided). Under the collective bargaining agreement applicable to Carrefour, employees are eligible for prepension benefits from the age of 62 (unless otherwise provided).

The solidarity fund is a corporate supplementary pension plan that offers participants the choice between a lump sum payment on retirement or a monthly pension for the rest of their lives. The plan was closed in 1994 and replaced by a defined contribution plan. Consequently, the projected benefit obligation only concerns pension rights that vested before 1994.

Furthermore, as of 2016, an additional provision has been recorded for defined contribution plans with a minimum legal guaranteed yield, in view of the current economic conditions.

Italian plans

The Group's commitments in Italy primarily concern the *Trattemento di Fine Rapporto* (TFR) deferred salary scheme. The TFR scheme underwent a radical reform in 2007, with employers now required to pay contributions to an independent pension fund in full discharge of their liability. The Group's obligation therefore only concerns deferred salary rights that vested before 2007.

12.1.2 Net expense for the period

The expense recorded in the income statement is detailed as follows:

2022 *(in millions of euros)*	France	Belgium	Italy	Other countries	Group total
Current service cost	*44*	*18*	*0*	*1*	*63*
Past service cost (plan amendments and curtailments)	*(8)*	*–*	*–*	*–*	*(8)*
Settlements and other	*(1)*	*–*	*1*	*–*	*(0)*
Service cost	**34**	**18**	**1**	**1**	**53**
Interest cost (discount effect)	4	4	1	1	9
Return on plan assets	(0)	(2)	–	–	(2)
Other items	(5)	(1)	–	(0)	(6)
EXPENSE (INCOME) FOR 2022	**33**	**19**	**1**	**2**	**55**

2023 *(in millions of euros)*	France	Belgium	Italy	Other countries	Group total
Current service cost	*29*	*14*	*0*	*1*	*44*
Past service cost (plan amendments and curtailments)[(1)]	*(17)*	*–*	*–*	*0*	*(17)*
Settlements and other[(2)]	*(22)*	*–*	*0*	*–*	*(22)*
Service cost	**(10)**	**14**	**0**	**1**	**5**
Interest cost (discount effect)	13	13	2	1	29
Return on plan assets	(0)	(7)	–	–	(7)
Other items	0	0	–	0	0
EXPENSE (INCOME) FOR 2023	**3**	**20**	**2**	**2**	**27**

(1) This line includes income of 17 million euros recognised within employee benefits expense corresponding to the amendment to benefits granted to beneficiaries following the enactment on April 15, 2023 of the French Amended Social Security Financing law (law no. 2023-270). This law provides for, among other things, a gradual increase in the statutory retirement age as from September 1, 2023 to 64 in 2030.

(2) The line includes the impact of curtailments following the remeasurement of commitments resulting from the restructuring plan being implemented in France (see Note 2.2), recognised in non-recurring income for 14 million euros.

The net expense for 2023 corresponds to 19 million euros recognised in employee benefits expense, 14 million euros recognised in non-recurring income, and 22 million euros recorded in financial expense. The net expense for 2022 corresponded to 48 million euros recognised in employee benefits expense and 7 million euros in financial expense.

12.1.3 Breakdown of the provision

(in millions of euros)	France	Belgium	Italy	Other countries	Group total
Defined benefit obligation	341	352	59	10	762
Fair value of plan assets	(28)	(197)	–	–	(225)
Provision at December 31, 2022	**313**	**154**	**59**	**10**	**537**
Defined benefit obligation	353	341	58	13	765
Fair value of plan assets	(31)	(189)	–	–	(220)
Provision at December 31, 2023	**321**	**153**	**58**	**13**	**545**

12.1.4 Change in the provision

(in millions of euros)	France	Belgium	Italy	Other countries	Group total
Provision at January 1, 2022	**445**	**215**	**88**	**39**	**786**
Movements recorded in the income statement	33	19	1	2	55
Benefits paid directly by the employer	(14)	(13)	(13)	(1)	(40)
Effect of changes in scope of consolidation(1)	(67)	–	–	(29)	(96)
Change in actuarial gains and losses(2)	(84)	(59)	(17)	(1)	(161)
Other	–	(7)	–	1	(6)
Provision at December 31, 2022	**313**	**154**	**59**	**10**	**537**
Movements recorded in the income statement	3	20	2	2	27
Benefits paid directly by the employer	(16)	(11)	(10)	(1)	(37)
Effect of changes in scope of consolidation(1)	(11)	–	–	–	(11)
Change in actuarial gains and losses(2)	32	(4)	6	2	36
Other	–	(7)	–	(0)	(7)
Provision at December 31, 2023	**321**	**153**	**58**	**13**	**545**

(1) In 2022 and 2023, the effect of changes in the scope of consolidation in France, which reduced the provision by 67 million euros and 11 million euros, respectively, corresponded to the reclassification of the provision for employee benefits to other provisions following the transfer of integrated stores to lease management contracts.
In 2022, the amount reported in the "Other countries" column corresponded to the provision recognised by Carrefour Taiwan (classified within discontinued operations in 2022 – see Note 2.1.3) at January 1, 2022. Carrefour Taiwan was sold on June 30, 2023.

(2) This line breaks down as follows:

2022 *(in millions of euros)*	France	Belgium	Italy	Other countries	Group total
Actuarial (gain)/loss due to experience	(2)	0	3	(1)	0
Actuarial (gain)/loss due to demographic assumption changes	3	–	(1)	0	2
Actuarial (gain)/loss due to financial assumption changes(1)	(84)	(75)	(19)	(1)	(179)
Return on plan assets (greater)/less than discount rate	(0)	16	–	–	16
Changes in actuarial gains and losses 2022	**(84)**	**(59)**	**(17)**	**(1)**	**(161)**

2023 *(in millions of euros)*	France	Belgium	Italy	Other countries	Group total
Actuarial (gain)/loss due to experience	13	(13)	3	0	3
Actuarial (gain)/loss due to demographic assumption changes	4	–	(0)	(0)	4
Actuarial (gain)/loss due to financial assumption changes(1)	15	9	3	2	29
Return on plan assets (greater)/less than discount rate	(0)	0	–	–	0
Changes in actuarial gains and losses 2023	**32**	**(4)**	**6**	**2**	**36**

(1) Eurozone discount rates increased sharply in 2022, from 0.80% at end-2021 to 3.80% at end-2022. These rates decreased in 2023 to represent 3.20% at the year-end.

12.1.5 Plan assets

(in millions of euros)	France	Belgium	Italy	Other countries	Group total
Fair value at January 1, 2022	**20**	**228**	**–**	**21**	**269**
Return on plan assets	0	2	–	–	2
Benefits paid out of plan assets	(0)	(24)	–	–	(24)
Actuarial gain/(loss)	0	(16)	–	–	(16)
Other(1)	8	7	–	(21)	(6)
Fair value at December 31, 2022	**28**	**197**	**–**	**–**	**225**
Return on plan assets	0	7	–	–	7
Benefits paid out of plan assets	(2)	(23)	–	–	(25)
Actuarial gain/(loss)	0	(0)	–	–	(0)
Other	6	7	–	–	13
Fair value at December 31, 2023	**31**	**189**	**–**	**–**	**220**

(1) The 21 million euro expense reported in the "Other countries" column corresponded to the provision recognised by Carrefour Taiwan (classified within discontinued operations in 2022 – see Note 2.1.3) at January 1, 2022. Carrefour Taiwan was sold on June 30, 2023.

Plan assets break down as follows by asset class:

	December 31, 2023				December 31, 2022			
	Bonds	Equities	Monetary investments	Real estate and other	Bonds	Equities	Monetary investments	Real estate and other
France	0%	0%	100%	0%	8%	1%	91%	0%
Belgium	0%	0%	100%	0%	0%	0%	100%	0%

Hedging assets such as bonds and equities, which consisted solely of listed securities at the end of 2022, were used to settle benefits due to employees who retired in 2023.

12.1.6 Actuarial assumptions and sensitivity analysis

The assumptions used to measure defined benefit obligations for length-of-service awards in the three main countries are as follows:

	2023	2022
Retirement age	64-67	63-67
Rate of future salary increases	2% to 2.6%	2% to 2.6%
Inflation rate	2.0%	2.0%
Discount rate	3.20%	3.80%

At December 31, 2023, a discount rate of 3.20% was used for France, Belgium and Italy (December 31, 2022: 3.80%). The discount rate is based on an index of AA-rated corporate bonds with maturities that correspond to the expected cash outflows of the plans.

In 2023, the average duration of the defined benefit obligation under French, Belgian and Italian plans was 8.4 years, 7.0 years and 8.2 years respectively (2022: 9.0 years, 6.7 years and 8.6 years respectively).

Sensitivity tests show that:

- a 25-bps increase in the discount rate would reduce the defined benefit obligation under the French, Belgian and Italian plans by around 12 million euros;
- a 25-bps increase in the inflation rate would increase the defined benefit obligation under the French, Belgian and Italian plans by around 5 million euros.

12.2 Share-based payments

Accounting principles

Two types of share-based payment plans have been set up for members of management and selected employees – stock option plans and performance share plans.

As the plans are equity-settled, the benefit represented by the share-based payment is recorded in employee benefits expense with a corresponding increase in shareholders' equity in accordance with IFRS 2 – *Share-based Payment*. The cost recorded in employee benefits expense corresponds to the fair value of the equity instruments on the grant date (i.e., the date on which grantees are informed of the plan's characteristics and terms). Fair value is determined using the Black-Scholes option pricing model for stock options and the share price on the grant date for performance shares. Performance conditions that are not based on market conditions are not taken into account to estimate the fair value of stock options and performance shares at the measurement date. However, they are taken into account in estimates of the number of shares that are expected to vest, as updated at each period-end based on the expected achievement rate for the non-market performance conditions.

The cost calculated as described above is recognised on a straight-line basis over the vesting period.

The cost of share-based payment plans for 2023 recorded under employee benefits expense in recurring operating income was 53 million euros, with a corresponding increase in equity (2022: 22 million euros). The increase reflects the employee share ownership plan launched in May 2023 (see Note 2.6).

Details of the stock option and performance share plans set up for Executive Management and selected employees are presented below.

12.2.1 Stock option plans

There were no longer any Carrefour SA stock option plans outstanding at December 31, 2023, since the 2010 plans based on performance conditions and continued employment in the Group expired in July 2017.

a. Brazil 2017 "Pre-IPO" Plan

On March 21, 2017, the Board of Directors of Atacadão decided to award options on existing or new Atacadão shares. This stock option plan was approved by Atacadão's Shareholders' Meeting held on the same date. Options awarded under this plan represented a maximum number of 9,283,783 shares, or 0.47% of Atacadão's share capital. The options were subject to the following vesting conditions:

- one-third of the options vested at the date of the company's IPO;
- one-third of the options vested 12 months after the date of the IPO;
- one-third of the options vested 24 months after the date of the IPO.

The table below shows the main assumptions used to calculate the fair value of the options awarded in 2017.

Fair value of the options at the grant date	Brazil 2017 "Pre-IPO" Plan
Exercise price *(in reals)*	11.7
Estimated fair value of the share at the grant date *(in reals)*	11.7
Volatility *(in %)*	29.02%
Dividend growth *(in %)*	1.35%
Risk-free interest rate *(in %)*	10.25%
Expected average life of share option *(years)*	2.72
Model	Binomial
Fair value option at grant date *(in reals)*	**3.73**

Movements in the 2017 stock option plan were as follows:

	2023	2022
Options outstanding at January 1	**1,123,681**	**2,626,971**
Options granted during the year	–	–
Options exercised during the year	(1,100,345)	(1,503,290)
Options cancelled or that expired during the year	(23,336)	–
Options outstanding at December 31	**–**	**1,123,681**

The options were exercised up to March 21, 2023 at a price of 11.7 Brazilian reals.

b. 2019 "Regular" Plan in Brazil

On June 26, 2017, Atacadão's Extraordinary Shareholders' Meeting approved a regular stock option plan ("regular plan") providing for annual grants of stock options subject to the following conditions:

- vesting period: 36 months after the grant date;
- maximum exercise period: end of the sixth year following the date of the stock option plan;
- maximum dilution: 2.5% of the total amount of ordinary shares comprising the share capital;
- exercise price: to be determined by the Board of Directors when granting stock options. The price will take into account the share price during a maximum of 30 days preceding the date of grant.

On September 26, 2019, the Board of Directors of Atacadão decided to award the first options, as shown below:

	Brazil 2019 "Regular" Plan
Grant date	September 26, 2019
Number of options granted	3,978,055
Life of the options	6 years
Number of grantees	92
Exercise period	From September 26, 2022 to September 26, 2025
Number of options outstanding	3,159,255
Exercise price *(in reals)*	21.98

The table below shows the main assumptions used to calculate the fair value of the options awarded in 2019.

Fair value of the options at the grant date	Brazil 2019 "Regular" Plan
Exercise price *(in reals)*	21.98
Estimated fair value of the share at the grant date *(in reals)*	21.98
Volatility *(in %)*	27.20%
Dividend growth *(in %)*	1.09%
Risk-free interest rate *(in %)*	5.57%
Expected average life of share option *(years)*	3
Model	Binomial
Fair value option at grant date *(in reals)*	**5.20**

The number of options outstanding at December 31, 2023 under the 2019 stock option plan amounted to 3,159,255.

12.2.2 Performance share plans

a. Carrefour SA performance share plans

Under the 2020 performance share plan which expired on February 27, 2023, the level of attainment achieved by the Carrefour group was 100%. Accordingly, 2,046,409 shares were delivered to the beneficiaries in accordance with the relevant settlement terms.

In addition, 6,400 shares were also delivered to heirs of employees under the ongoing 2021 and 2022 Performance Plans.

On February 17, 2021, based on the Compensation Committee's recommendation, Carrefour SA's Board of Directors decided to use the authorisation given in the 25th resolution of the Annual Shareholders' Meeting held on June 14, 2019 to grant new or existing performance shares. The plan provided for the grant of a maximum of 3,000,000 shares (representing 0.37% of the share capital at February 17, 2021). The shares will vest subject to a service condition and several performance conditions.

The vesting period is three years from the date of the Board of Directors' meeting at which the rights were granted. The number of shares that vest will depend on the achievement of four performance conditions:

- two conditions linked to financial performance (recurring operating income growth for 25% and net free cash flow growth for 25%);
- a condition linked to an external performance criterion (TSR), benchmarking the Carrefour share price against a panel of companies in the retail sector (for 25%);
- a CSR-related condition (for 25%).

Details of the 2021 performance share plan are presented below.

	2021 Performance Plan
Shareholders' Meeting date	June 14, 2019
Grant date(1)	February 17, 2021
Vesting date(2)	February 17, 2024
Total number of shares approved at the grant date	3,000,000
Number of grantees at the grant date	691
Fair value of each share *(in euros)*(3)	11.85

(1) Date of the Board of Directors' decision to grant shares.
(2) The shares will vest subject to a service condition and several performance conditions.
(3) The fair value of shares is determined according to a reference price adjusted for dividends expected during the vesting period.

Movements in performance share grants related to the 2021 plan were as follows:

	2023	2022
Shares allotted at January 1	**2,662,800**	**2,927,600**
Shares granted during the year	–	–
Shares delivered to the grantees during the year(1)	(3,200)	(4,100)
Shares cancelled during the year	(233,500)	(260,700)
Shares allotted at December 31	**2,426,100**	**2,662,800**

(1) Corresponds only to shares vested to heirs of employees.

Under the 2021 performance share plan which expired on February 17, 2024, the level of attainment achieved by the Carrefour group was 100%. Accordingly, 2,411,400 shares were delivered to the beneficiaries in accordance with the relevant settlement terms.

On February 16, 2022, based on the Compensation Committee's recommendation, Carrefour SA's Board of Directors decided to use the authorisation given in the 29th resolution of the Annual Shareholders' Meeting held on May 21, 2021 to grant new or existing performance shares. The plan provided for the grant of a maximum of 3,104,000 shares (representing 0.40% of the share capital at February 16, 2022). The shares will vest subject to a service condition and several performance conditions.

The vesting period is three years from the date of the Board of Directors' meeting at which the rights were granted. The number of shares that vest will depend on the achievement of four performance conditions:

- two conditions linked to financial performance (recurring operating income growth for 25% and net free cash flow growth for 25%);
- a condition linked to an external performance criterion (TSR), benchmarking the Carrefour share price against a panel of companies in the retail sector (for 25%);
- a CSR-related condition for 25%.

Details of the 2022 performance share plan are presented below.

	2022 Performance Plan
Shareholders' Meeting date	May 21, 2021
Grant date(1)	February 16, 2022
Vesting date(2)	February 16, 2025
Total number of shares approved at the grant date	3,104,000
Number of grantees at the grant date	809
Fair value of each share *(in euros)*(3)	14.21

(1) Date of the Board of Directors' decision to grant shares.
(2) The shares will vest subject to a service condition and several performance conditions.
(3) The fair value of shares is determined according to a reference price adjusted for dividends expected during the vesting period.

Movements in performance share grants related to the 2022 plan were as follows:

	2023	2022
Shares allotted at January 1	**2,947,945**	**–**
Shares granted during the year	–	3,104,000
Shares delivered to the grantees during the year(1)	(3,200)	–
Shares cancelled during the year	(218,375)	(156,055)
Shares allotted at December 31	**2,726,370**	**2,947,945**

(1) Corresponds only to shares vested to heirs of employees.

On February 14, 2023, based on the Compensation Committee's recommendation, Carrefour SA's Board of Directors decided to use the authorisation given in the 29th resolution of the Annual Shareholders' Meeting held on May 21, 2021 to grant new or existing performance shares. The plan provided for the grant of a maximum of 2,833,260 shares (representing 0.38% of the share capital at February 14, 2023). The shares will vest subject to a service condition and several performance conditions.

The vesting period is three years from the date of the Board of Directors' meeting at which the rights were granted. The number of shares that vest will depend on the achievement of four performance conditions:

- two conditions linked to financial performance (recurring operating income growth for 25% and net free cash flow growth for 25%);
- a condition linked to an external performance criterion (TSR), benchmarking the Carrefour share price against a panel of companies in the retail sector (for 25%);
- a CSR-related condition for 25%.

Details of the 2023 performance share plan are presented below.

	2023 Performance Plan
Shareholders' Meeting date	May 21, 2021
Grant date(1)	February 14, 2023
Vesting date(2)	February 14, 2026
Total number of shares approved at the grant date	2,833,260
Number of grantees at the grant date	680
Fair value of each share *(in euros)*(3)	13.23

(1) Date of the Board of Directors' decision to grant shares.
(2) The shares will vest subject to a service condition and several performance conditions.
(3) The fair value of shares is determined according to a reference price adjusted for dividends expected during the vesting period.

Movements in performance share grants related to the 2023 plan were as follows:

	2023
Shares allotted at January 1	**–**
Shares granted during the year	2,833,260
Shares delivered to the grantees during the year	–
Shares cancelled during the year	(67,460)
Shares allotted at December 31	**2,765,800**

b. Atacadão performance share plans

The Atacadão 2020 performance share plan expired on November 10, 2023. Accordingly, 529,780 shares were delivered to the beneficiaries in accordance with the relevant settlement terms.

On August 25, 2021, the Board of Directors of Atacadão decided to grant rights to existing or new Atacadão shares. This plan was approved by Atacadão's Shareholders' Meeting held on April 14, 2020.

The vesting period is three years from the date of the Board of Directors' meeting at which the rights were granted. The number of shares that vest will depend on the achievement of five performance conditions:

- two conditions linked to financial performance (recurring operating income for 20% and net free cash flow for 20%);
- a condition linked to an external performance criterion (TSR), benchmarking the Atacadão share price against a panel of companies in the retail sector (for 20%);
- a condition linked to the company's digital transformation for 20%;
- a CSR-related condition for 20%.

1 2 3 4 5 6 7 8 9

Details of the 2021 performance share plan are presented below.

	Brazil 2021 "Regular" Plan
Shareholders' Meeting date	April 14, 2020
Grant date(1)	August 25, 2021
Vesting date(2)	August 25, 2024
Total number of shares approved at the grant date	1,832,230
Number of grantees at the grant date	124
Fair value of each share *(in reals)*(3)	14.56

(1) Date of the Board of Directors' decision to grant shares.
(2) The shares will vest subject to a service condition and several performance conditions.
(3) The fair value of shares is determined according to a reference price adjusted for dividends expected during the vesting period.

Movements in performance share grants under the Brazil 2021 "Regular plan" were as follows:

	2023	**2022**
Shares allotted at January 1	**1,523,235**	**1,523,235**
Shares granted during the year	–	–
Shares delivered to the grantees during the year	–	–
Shares cancelled during the year	(201,408)	–
Shares allotted at December 31	**1,321,827**	**1,523,235**

On May 5, 2022, the Board of Directors of Atacadão decided to grant rights to existing or new Atacadão shares. This plan was approved by Atacadão's Shareholders' Meeting held on April 14, 2020.

The vesting period is three years from the date of the Board of Directors' meeting at which the rights were granted. The number of shares that vest will depend on the achievement of five performance conditions:

- two conditions linked to financial performance (recurring operating income for 20% and net free cash flow for 20%);
- a condition linked to an external performance criterion (TSR), benchmarking the Atacadão share price against a panel of companies in the retail sector (for 20%);
- a condition linked to the Company's digital transformation for 20%;
- a CSR-related condition for 20%.

Details of the 2022 performance share plan are presented below.

	Brazil 2022 "Regular" Plan
Shareholders' Meeting date	April 14, 2020
Grant date(1)	May 5, 2022
Vesting date(2)	May 5, 2025
Total number of shares approved at the grant date	1,998,935
Number of grantees at the grant date	125
Fair value of each share *(in reals)*(3)	13.10

(1) Date of the Board of Directors' decision to grant shares.
(2) The shares will vest subject to a service condition and several performance conditions.
(3) The fair value of shares is determined according to a reference price adjusted for dividends expected during the vesting period.

Movements in performance share grants under the Brazil 2022 “Regular plan” were as follows:

	2023	2022
Shares allotted at January 1	**1,998,935**	**–**
Shares granted during the year	–	1,998,935
Shares delivered to the grantees during the year	–	–
Shares cancelled during the year	(235,300)	–
Shares allotted at December 31	**1,763,635**	**1,998,935**

On June 1, 2023, the Board of Directors of Atacadão decided to grant rights to existing or new Atacadão shares. This plan was approved by Atacadão’s Shareholders’ Meeting held on April 14, 2020.

The vesting period is three years from the date of the Board of Directors’ meeting at which the rights were granted. The number of shares that vest will depend on the achievement of four performance conditions:

- two conditions linked to financial performance (recurring operating income for 25% and net free cash flow for 25%);
- a condition linked to an external performance criterion (TSR), benchmarking the Atacadão share price against a panel of companies in the retail sector (for 25%);
- a CSR-related condition for 25%.

Details of the 2023 performance share plan are presented below.

	Brazil 2023 “Regular” Plan
Shareholders’ Meeting date	April 14, 2020
Grant date(1)	June 1, 2023
Vesting date(2)	June 1, 2026
Total number of shares approved at the grant date	2,063,975
Number of grantees at the grant date	117
Fair value of each share *(in reals)*(3)	14.38

(1) Date of the Board of Directors’ decision to grant shares.
(2) The shares will vest subject to a service condition and several performance conditions.
(3) The fair value of shares is determined according to a reference price adjusted for dividends expected during the vesting period.

Movements in performance share grants under the Brazil 2023 “Regular plan” were as follows:

	2023
Shares allotted at January 1	**–**
Shares granted during the year	2,063,975
Shares delivered to the grantees during the year	–
Shares cancelled during the year	(32,525)
Shares allotted at December 31	**2,031,450**

12.3 Management compensation (related parties)

The following table shows the compensation paid by the Carrefour group during the year to the Group's key management personnel.

(in millions of euros)	2023	2022
Compensation for the year	8.2	8.6
Prior year bonus	8.3	8.1
Benefits in kind (accommodation and company car)	0.7	0.6
Total compensation paid during the year	**17.2**	**17.4**
Employer payroll taxes	6.8	6.2
Termination benefits	–	–

Other management benefit plans are as follows:

- the supplementary defined benefit pension plan described in Note 12.1;
- performance share rights: the serving members of the management team at December 31, 2023 held 2,445,737 performance share rights across all plans (2,402,879 at December 31, 2022), for which the vesting conditions are described in Note 12.2.2.

The compensation paid in 2023 to members of the Board of Directors in respect of their duties amounted to 1.1 million euros (1.1 million euros in 2022).

12.4 Number of employees

	2023	2022
Senior Directors	469	361
Directors	1,667	1,710
Managers	27,012	25,478
Employees	281,144	283,052
Average number of Group employees	**310,292**	**310,601**
NUMBER OF GROUP EMPLOYEES AT THE YEAR-END	**305,309**	**334,640**

The Group's headcount as shown for 2023 and 2022 does not include employees of Carrefour Taiwan. The Group's average headcount includes the employees of Grupo BIG over 12 months in 2023 and seven months in 2022 (see Note 2.1.1.3).

NOTE 13 EQUITY AND EARNINGS PER SHARE

13.1 Capital management

The parent company, Carrefour SA, must have sufficient equity to comply with the provisions of the French Commercial Code.

The Group owns interests in a certain number of financial services companies (banks, insurance companies). These subsidiaries must have sufficient equity to comply with capital adequacy ratios and the minimum capital rules set by their local banking and insurance supervisors.

Capital management objectives (equity and debt capital) are to:

- ensure that the Group can continue operating as a going concern, in particular by maintaining high levels of liquid resources;
- optimise shareholder returns;
- keep gearing at an appropriate level, in order to minimise the cost of capital and maintain the Group's credit rating at a level that allows it to access a wide range of financing sources and instruments.

In order to maintain or adjust its gearing, the Group may take on new borrowings or retire existing borrowings, adjust the dividend paid to shareholders, return capital to shareholders, issue new shares, buy back shares or sell assets in order to use the proceeds to pay down debt.

13.2 Share capital and treasury stock

13.2.1 Share capital

At December 31, 2023, the share capital was made up of 708,790,816 ordinary shares with a par value of 2.5 euros each, all fully paid.

(in thousands of shares)	2023	Of which treasury stock	2022
Outstanding at January 1	**742,157**	***11,545***	**775,896**
Issued for cash(1)	4,714	–	–
Issued/(used) under performance share plans(2)	–	*(2,053)*	–
Share buyback program(3)	–	*46,198*	–
Cancelled shares(3)	(38,080)	*(38,080)*	(33,738)
Outstanding at December 31	**708,791**	***17,610***	**742,157**

(1) See Note 2.6.
(2) See Note 12.2.2.a.
(3) See Note 2.5.

13.2.2 Treasury stock

Accounting principles

Treasury stock is recorded as a deduction from shareholders' equity, at cost. Gains and losses from sales of treasury stock (and the related tax effect) are recorded directly in equity without affecting net income for the year.

At December 31, 2023, a total of 17,609,525 shares were held in treasury.

Shares held in treasury are intended for the Group's performance share plans.

All rights attached to these shares are suspended for as long as they are held in treasury.

13.3 Dividends

At the Shareholders' Meeting held on May 26, 2023, the shareholders decided to set the 2022 dividend at 0.56 euros per share to be paid entirely in cash.

On June 8, 2023, the dividend was paid out in an amount of 405 million euros.

13.4 Other comprehensive income

	2023			2022		
Group share *(in millions of euros)*	**Pre-tax**	**Tax**	**Net**	**Pre-tax**	**Tax**	**Net**
Effective portion of changes in the fair value of cash flow hedges(1)	(111)	29	(82)	129	(26)	103
Changes in debt instruments at fair value through other comprehensive income(2)	(31)	(1)	(32)	(13)	3	(9)
Exchange differences on translation of intercompany loans qualifying as net investment of foreign operations, net of hedge effect(3)	(7)	2	(6)	(15)	4	(11)
Exchange differences on translating foreign operations(4)	(48)	–	(48)	258	–	258
Items that may be reclassified subsequently to profit or loss	**(198)**	**30**	**(168)**	**359**	**(19)**	**340**
Remeasurements of defined benefit plans obligation(5)	(36)	7	(28)	163	(36)	127
Changes in the fair value of equity instruments through other comprehensive income	0	(0)	0	0	(0)	0
Items that will not be reclassified subsequently to profit or loss	**(36)**	**7**	**(28)**	**163**	**(36)**	**127**
TOTAL GROUP SHARE	**(233)**	**37**	**(196)**	**522**	**(55)**	**467**

	2023			2022		
Non-controlling interests *(in millions of euros)*	**Pre-tax**	**Tax**	**Net**	**Pre-tax**	**Tax**	**Net**
Effective portion of changes in the fair value of cash flow hedges	(15)	4	(11)	16	(5)	11
Changes in debt instruments at fair value through other comprehensive income	4	(1)	3	(13)	3	(9)
Exchange differences on translating foreign operations(4)	58	–	58	122	–	122
Items that may be reclassified subsequently to profit or loss	**46**	**3**	**49**	**125**	**(1)**	**124**
Remeasurements of defined benefit plans obligation(5)	(0)	0	(0)	5	(1)	4
Changes in the fair value of equity instruments through other comprehensive income	0	(0)	0	0	(0)	0
Items that will not be reclassified subsequently to profit or loss	**(0)**	**0**	**(0)**	**5**	**(1)**	**4**
TOTAL NON-CONTROLLING INTERESTS SHARE	**46**	**3**	**49**	**130**	**(2)**	**128**

(1) The currency swap eligible for cash flow hedge accounting, set up by the Group in 2022 in order to hedge the risk of unfavourable changes in the New Taiwan dollar up to the amount of the Group's share in the value of Carrefour Taiwan, was settled when Carrefour Taiwan was sold, generating an expense of 46 million euros net of tax (see Note 2.1.3). To a lesser extent, this item also includes swaps in Spain and France taken out to hedge the risk of unfavourable changes in energy prices for electricity and biomethane, respectively (see Note 14.7.6).

(2) At December 31, 2023, the carrying amount of Flink shares was reduced by 35 million euros to align with their fair value (see Note 2.1 to the 2022 consolidated financial statements).

(3) In 2023 and 2022, Carrefour Finance granted two intra-group revolving credit facilities (RCF) to the Brazilian subsidiary Atacadão for 2.3 billion Brazilian reals and 5.9 billion Brazilian reals respectively. These facilities were treated as part of the net investment in that operation. The derivatives contracted to hedge part of the facilities were classified as a net investment hedge (see Note 2.3).

(4) The Group's share of exchange differences in 2023 mainly reflects the major decrease in the value of the Argentine peso, as well as the reversal of positive translation adjustments recorded by Carrefour Taiwan in an amount of 52 million euros, partially offset by the increase in the value of the Brazilian real and the Polish zloty.
The share of exchange differences attributable to non-controlling interests in 2023 reflects the slight increase in the value of in the Brazilian real.
Exchange differences recognised in 2022 mainly resulted from the sharp increase in the value of the Brazilian real compared with December 31, 2021.

(5) Remeasurement of the net defined benefit liability recognised in 2023 reflects the decrease in discount rates applied for the eurozone, from 3.80% at end-December 2022 to 3.20% at end-December 2023. In 2022, these discount rates had increased sharply, from 0.80% at end-December 2021 to 3.80% at end-December 2022.

13.5 Shareholder's equity attributable to non-controlling interests

Non-controlling interests mainly concern:

- the sub-group made up of Carrefour Banque SA and its subsidiaries (part of the France operating segment), which is 60% owned by the Group;
- the Grupo Carrefour Brasil sub-group made up of Atacadão SA and its subsidiaries (part of the Latin America operating segment) and covering all of Carrefour's operations in Brazil, which is 68% owned by the Group.

The following tables present the key information from the sub-groups' consolidated financial statements:

CARREFOUR BANQUE SUB-GROUP

Income statement *(in millions of euros)*	**2023**	**2022**
Revenue (Net Banking Revenue)	167	184
Net income/(loss)	(32)	33

Statement of financial position *(in millions of euros)*	**December 31, 2023**	**December 31, 2022**
Total assets	3,672	3,502
Total liabilities excluding shareholders' equity	3,168	2,952
Dividends paid to non-controlling interests	–	6

GRUPO CARREFOUR BRASIL SUB-GROUP

Income statement *(in millions of euros)*	**2023**	**2022**
Total revenue	20,354	19,030
Net income/(loss)	(118)	370
of which:		
■ *attributable to the Carrefour group*	*(147)*	*322*
■ *attributable to non-controlling interests*	*29*	*48*

Statement of financial position *(in millions of euros)*	**December 31, 2023**	**December 31, 2022 IFRS 3 restated**
Non-current assets	8,994	8,853
Current assets	8,344	7,729
Non-current liabilities (excluding shareholders' equity)	4,581	4,280
Current liabilities	8,865	8,392
Dividends paid to non-controlling interests	23	12

As Carrefour SA owns 68% of Atacadão SA, the breakdown of net income is different at the level of the consolidated financial statements of the Carrefour group:

- 2023 net loss of 118 million euros broke down into 99 million euros attributable to the Carrefour group and 19 million euros attributable to non-controlling interests;
- 2022 net income of 370 million euros broke down into 223 million euros attributable to the Carrefour group and 146 million euros attributable to non-controlling interests.

There are no individually material non-controlling interests in other subsidiaries.

13.6 Earnings per share (Group share)

Accounting principles

In accordance with IAS 33 – *Earnings Per Share*, basic earnings per share is calculated by dividing net income, Group share by the weighted average number of shares outstanding during the period. Treasury stock is not considered to be outstanding and is therefore deducted from the number of shares used for the calculation. Contingently issuable shares are treated as outstanding and included in the calculation only when all necessary conditions are satisfied.

Diluted earnings per share is calculated by adjusting net income, Group share and the weighted average number of shares outstanding for the effects of all dilutive potential ordinary shares. Dilutive potential ordinary shares correspond exclusively to the stock options and performance shares presented in Note 12.2. Their dilutive effect is calculated by the treasury stock method provided for in IAS 33, which consists in applying the proceeds that would be generated from the exercise of stock options to the purchase of shares at market price (defined as the average share price for the period). In accordance with this method, stock options are considered to be potentially dilutive if they are in the money (the exercise price considered includes the fair value of the services rendered by the grantee, in accordance with IFRS 2 – *Share-based Payment*).

Basic earnings per share	**2023**	**2022**
Net income/(loss) from continuing operations	930	1,368
Net income/(loss) from discontinued operations	729	(21)
Net income/(loss) *(in millions of euros)*	**1,659**	**1,348**
Weighted average number of shares outstanding(1)	714,170,185	741,377,552
Basic income/(loss) from continuing operations – per share *(in euros)*	**1.30**	**1.85**
Basic income/(loss) from discontinued operations – per share *(in euros)*	**1.02**	**(0.03)**
Basic income/(loss) – per share *(in euros)*	**2.32**	**1.82**

(1) In accordance with IAS 33, the weighted average number of shares used to calculate earnings per share for 2023 was adjusted to take into account the impact of the share buybacks carried out during the period (see Note 2.5).

Diluted earnings per share	**2023**	**2022**
Net income/(loss) from continuing operations	930	1,368
Net income/(loss) from discontinued operations	729	(21)
Net income/(loss) *(in millions of euros)*	**1,659**	**1,348**
Weighted average number of shares outstanding, before dilution	714,170,185	741,377,552
Potential dilutive shares	5,055,485	5,245,147
Performance shares	*5,055,485*	*5,245,147*
Diluted weighted average number of shares outstanding	**719,225,670**	**746,622,699**
Diluted income/(loss) from continuing operations – per share *(in euros)*	**1.29**	**1.83**
Diluted income/(loss) from discontinued operations – per share *(in euros)*	**1.01**	**(0.03)**
Diluted income/(loss) – per share *(in euros)*	**2.31**	**1.80**

NOTE 14 FINANCIAL ASSETS AND LIABILITIES, FINANCE COSTS AND OTHER FINANCIAL INCOME AND EXPENSES

Accounting principles

NON-DERIVATIVE FINANCIAL ASSETS

In accordance with IFRS 9 – *Financial Instruments*, the main financial assets are classified in one of the following three categories:

- financial assets at amortised cost;
- financial assets at fair value through other comprehensive income (FVOCI);
- financial assets at fair value through profit or loss (FVPL).

Their classification determines their accounting treatment. Financial assets are classified by the Group upon initial recognition, based on the characteristics of the contractual cash flows and the objective behind the asset's purchase (business model).

Purchases and sales of financial assets are recognised on the trade date, defined as the date on which the Group is committed to buying or selling the asset.

(i) Financial assets at amortised cost

Financial assets at amortised cost are debt instruments (mainly loans and receivables) that give rise to contractual cash flows that are solely payments of principal and interest on the principal amount outstanding and that are held within a business model whose objective is to hold assets to collect contractual cash flows.

They are initially recognised at fair value and are subsequently measured at amortised cost by the effective interest method. For short-term receivables with no specified interest rate, fair value is considered to be equal to the original invoice amount.

These assets are impaired as described below.

Financial assets at amortised cost include trade receivables, other loans and receivables (reported under other financial assets), deposits and guarantees, and consumer credit granted by the financial services companies.

(ii) Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets at fair value through other comprehensive income are debt instruments that give rise to contractual cash flows that are solely payments of principal and interest on the principal amount outstanding and that are held within a business model whose objective is achieved by both collecting contractual cash flows and selling underlying financial assets. These financial assets are measured at fair value, with changes in fair value recognised in other comprehensive income, under "Changes in debt instruments at fair value through other comprehensive income" until the underlying assets are sold, at which time they are transferred to the income statement.

This category also includes investments in equity instruments (primarily shares) that the Group has irrevocably elected to classify in this category. In this case, when the shares are sold, the unrealised gains or losses previously carried in equity (other comprehensive income) will not be reclassified to profit or loss; only dividends will be transferred to the income statement.

This category notably includes investments in non-consolidated companies which the Group has elected to recognise at fair value through other comprehensive income (an option generally chosen by the Group).

The fair value of listed securities corresponds to their market price. For unlisted securities, fair value is determined first and foremost by reference to recent transactions or by using valuation techniques based on reliable and observable market data. However, where there is no observable market data for comparable companies, the fair value of unlisted securities is usually measured based on the present value of future estimated cash flows or on the revised net asset value, as calculated by reference to internal inputs (level 3 of the fair value hierarchy).

(iii) Financial assets at fair value through profit or loss (FVPL)

This category includes all debt instruments that are not eligible to be classified as financial assets at amortised cost or at fair value through other comprehensive income, as well as investments in equity instruments such as shares which the Group has chosen not to measure at fair value through other comprehensive income.

They are measured at fair value with changes in fair value recognised in the income statement, under financial income or expense.

Impairment

Trade receivables and other current financial assets (other than consumer credit granted by the financial services companies) carried at amortised cost are impaired based on the total lifetime expected losses resulting from a payment default, pursuant to the simplified approach allowed under IFRS 9. Impairment is calculated using a provision matrix, which is applied to receivables past due and not yet past due (provision rates based on the length of time past due, as calculated for each country and each receivable with similar characteristics).

For consumer credit granted by the financial services companies and other non-current financial assets carried at amortised cost, impairment is determined using the general approach available under IFRS 9 and corresponds:

- on initial recognition of the asset, to expected losses over the next 12 months;
- when the credit risk significantly increases, to the total lifetime expected losses resulting from default.

The approach applied to consumer credit granted by the financial services companies is described in Note 6.5.1.

Non-derivative financial assets held by the Group

The main non-derivative financial assets held by the Group are as follows:

- non-current financial assets: this line of the statement of financial position mainly includes deposits and guarantees, investments of insurance companies (corresponding mainly to bonds and other debt securities) and of the Group's other financial services companies, along with investments in non-consolidated companies;
- trade receivables;
- consumer credit granted by the financial services companies (see Note 6.5.1);
- other current financial assets: mainly debt securities held by the financial services companies and measured at fair value, along with short-term deposits.

NON-DERIVATIVE FINANCIAL LIABILITIES

Non-derivative financial liabilities are initially recognised at fair value plus transaction costs and premiums directly attributable to their issue. They are subsequently measured at amortised cost.

Non-derivative financial liabilities held by the Group

The main non-derivative financial liabilities held by the Group are as follows:

- borrowings: "Borrowings – portion due in more than one year" and "Borrowings – portion due in less than one year" include bonds and notes issued by the Group, other bank loans and overdrafts, and any financial liabilities related to securitised receivables for which the credit risk is retained by the Group;
- lease commitments: these result from applying IFRS 16 from January 1, 2019 and also include finance lease commitments recognised at December 31, 2018 in accordance with IAS 17 and reclassified within lease commitments;
- suppliers and other creditors;
- financing of consumer credit granted by the financial services companies (see Note 6.5.2);
- other payables: other payables classified in current liabilities correspond to all other operating payables (mainly accrued employee benefits expense and amounts due to suppliers of non-current assets) and miscellaneous liabilities.

DERIVATIVE FINANCIAL INSTRUMENTS

The Group uses derivative financial instruments to hedge its exposure to risks arising in the course of business, mainly interest rate and currency risks. The Group may also hedge the risk of changes in the prices of certain commodities, including electricity, natural gas, and – exceptionally – oil.

Derivatives are initially recognised at fair value. They are subsequently measured at fair value with the resulting unrealised gains and losses recorded as explained below.

(i) Derivatives designated as hedging instruments

Hedge accounting is applied if, and only if, the following conditions are met:

- the hedging instrument and hedged item forming the hedging relationship are eligible for hedge accounting;
- at the inception of the hedge, there is a clearly identified and formally documented hedging relationship and the effectiveness of the hedge can be demonstrated (qualitative and prospective testing);
- at the inception of the hedge, there is formal designation and structured documentation of the hedging relationship and the entity's risk management objective and strategy for undertaking the hedge.

Carrefour uses three types of hedges for accounting purposes: cash flow hedges, fair value hedges and hedges of net investment in a foreign operation.

Cash flow hedges

For instruments qualified as cash flow hedges, the portion of the change in fair value determined to be an effective hedge is recognised in other comprehensive income and accumulated in other comprehensive income until the hedged transaction affects the Group's profit. The ineffective portion of the change in fair value is recognised in the income statement, under financial income and expense.

The main cash flow hedges consist of interest rate options and swaps that convert variable rate debt to fixed rate debt, and forward purchases of foreign currencies that hedge future goods purchases in foreign currency.

Fair value hedges

Changes in fair value of instruments qualified as fair value hedges are recognised in the income statement, with the effective portion offsetting changes in the fair value of the hedged item.

Swaps set up to convert fixed rate bonds and notes to variable rate are qualified as fair value hedges. The hedged portion of the underlying financial liability is remeasured at fair value. Changes in fair value are recognised in the income statement and are offset by the effective portion of symmetrical changes in the fair value of the interest rate swaps. At December 31, 2023, the financing facilities arranged for Brazilian subsidiary Atacadão in September 2021, April 2023 and December 2023, respectively, were subject to fair value hedges (see Note 14.2.3).

Hedges of a net investment in a foreign operation

When an instrument qualifies as a hedge of a net investment in a foreign operation, the portion of the change in fair value determined to be an effective hedge is recognised in other comprehensive income, where it offsets changes in the fair value of the hedged item. The ineffective portion of the change in fair value is recognised in the income statement, under financial income and expense.

Amounts recognised in other comprehensive income are recognised in profit or loss on the date of (full or partial) disposal, resulting in the deconsolidation or liquidation of the investment.

(ii) Other derivative instruments

Other derivative instruments are measured at fair value, with changes in fair value recognised in profit or loss. Derivative instruments used by the Group include interest rate and currency swaps and/or vanilla interest rate options.

FAIR VALUE CALCULATION METHOD

The fair values of currency and interest rate instruments are determined using market-recognised pricing models or prices quoted by external financial institutions.

Values estimated using pricing models are based on discounted future cash flows for futures and forward contracts or, for options, the Black-Scholes option pricing model. The models are calibrated using market data such as yield curves and exchange rates obtained from recognised financial data services.

The fair value of long-term borrowings is estimated based on the quoted market price for bonds and notes or the value of future cash flows discounted based on market conditions for similar instruments (in terms of currency, maturity, type of interest rate and other characteristics).

Fair value measurements of derivative financial instruments incorporate counterparty risk in the case of instruments with a positive fair value, and own credit risk for instruments with a negative fair value. Credit risk is measured using the mathematical models commonly used by market analysts. At December 31, 2023 and 2022, the effect of incorporating these two types of risk was not material.

14.1 Financial instruments by category

		Breakdown by category					
At December 31, 2023 *(in millions of euros)*	**Carrying amount**	**Fair value through profit or loss**	**Fair value through OCI**	**Amortised cost**	**Derivative instruments not designated as hedges**	**Derivative instruments designated as hedges**	**Fair value**
Investments in non-consolidated companies	154	20	134	–	–	–	154
Other long-term investments	1,074	79	185	810	–	–	1,074
Other non-current financial assets	**1,229**	**99**	**319**	**810**	**–**	**–**	**1,229**
Consumer credit granted by the financial services companies	6,554	–	–	6,554	–	–	6,554
Trade receivables	3,269	–	–	3,269	–	–	3,269
Other current financial assets	685	191	176	204	1	114	685
Other current assets(1)	564	–	–	564	–	–	564
Cash and cash equivalents	6,290	6,290	–	–	–	–	6,290
ASSETS	**18,592**	**6,580**	**495**	**11,402**	**1**	**114**	**18,592**
Total borrowings	9,487	–	–	9,425	5	58	9,416
Total lease commitments	4,901	–	–	4,901	–	–	4,901
Total consumer credit financing	5,702	–	–	5,652	12	38	5,702
Suppliers and other creditors	14,242	–	–	14,242	–	–	14,242
Other current payables(2)	2,713	–	–	2,713	–	–	2,713
LIABILITIES	**37,045**	**–**	**–**	**36,933**	**17**	**96**	**36,973**

(1) Excluding prepaid expenses.
(2) Excluding deferred revenue.

At December 31, 2022 IFRS 3 restated *(in millions of euros)*	Carrying amount	Breakdown by category: Fair value through profit or loss	Fair value through OCI	Amortised cost	Derivative instruments not designated as hedges	Derivative instruments designated as hedges	Fair value
Investments in non-consolidated companies	178	12	166	–	–	–	178
Other long-term investments	1,073	90	152	831	–	–	1,073
Other non-current financial assets	**1,251**	**102**	**318**	**831**	**–**	**–**	**1,251**
Consumer credit granted by the financial services companies	5,978	–	–	5,978	–	–	5,978
Trade receivables	3,330	–	–	3,330	–	–	3,330
Other current financial assets	771	1	149	296	18	307	771
Other current assets(1)	606	–	–	606	–	–	606
Cash and cash equivalents	5,216	5,216	–	–	–	–	5,216
ASSETS	**17,153**	**5,319**	**467**	**11,041**	**18**	**307**	**17,153**
Total borrowings	9,558	–	–	9,410	18	130	9,212
Total lease commitments	4,530	–	–	4,530	–	–	4,530
Total consumer credit financing	5,142	–	–	5,089	16	37	5,142
Suppliers and other creditors	14,393	–	–	14,393	–	–	14,393
Other current payables(2)	2,813	–	–	2,813	–	–	2,813
LIABILITIES	**36,435**	**–**	**–**	**36,235**	**34**	**167**	**36,089**

(1) Excluding prepaid expenses.
(2) Excluding deferred revenue.

ANALYSIS OF ASSETS AND LIABILITIES MEASURED AT FAIR VALUE

The table below shows assets and liabilities presented according to the fair value hierarchy provided for in IFRS 13 – *Fair Value Measurement* (see Note 1.8):

December 31, 2023 *(in millions of euros)*	Level 1	Level 2	Level 3	Total
Investments in non-consolidated companies	–	20	134	154
Other long-term investments	264	–	–	264
Other current financial assets – Fair Value through OCI	176	–	–	176
Other current financial assets – Fair Value through profit or loss	191	–	–	191
Other current financial assets – Derivative instruments	–	115	–	115
Cash and cash equivalents	6,290	–	–	6,290
Consumer credit financing – Derivative instruments recorded in liabilities	–	(50)	–	(50)
Borrowings – Derivative instruments recorded in liabilities	–	(63)	–	(63)

December 31, 2022 *(in millions of euros)*	Level 1	Level 2	Level 3	Total
Investments in non-consolidated companies	–	12	166	178
Other long-term investments	243	–	–	243
Other current financial assets – Fair Value through OCI	149	–	–	149
Other current financial assets – Fair Value through profit or loss	1	–	–	1
Other current financial assets – Derivative instruments	–	325	–	325
Cash and cash equivalents	5,216	–	–	5,216
Consumer credit financing – Derivative instruments recorded in liabilities	–	(53)	–	(53)
Borrowings – Derivative instruments recorded in liabilities	–	(148)	–	(148)

14.2 Net debt

14.2.1 Breakdown of net debt

Consolidated net debt (including discontinued operations) at December 31, 2023 amounted to 2,560 million euros compared to 3,378 million euros at December 31, 2022 as restated for IFRS 3. This amount breaks down as follows:

(in millions of euros)	December 31, 2023	December 31, 2022 IFRS 3 restated
Bonds and notes	8,077	7,697
Other borrowings	1,226	1,223
Commercial paper	122	490
Total borrowings excluding derivative instruments recorded in liabilities	**9,425**	**9,410**
Derivative instruments recorded in liabilities	63	148
TOTAL BORROWINGS	**9,487**	**9,558**
of which borrowings due in more than one year	*7,264*	*6,912*
of which borrowings due in less than one year	*2,224*	*2,646*
Other current financial assets(1)	638	728
Cash and cash equivalents	6,290	5,216
TOTAL CURRENT FINANCIAL ASSETS	**6,928**	**5,944**
NET DEBT	**2,560**	**3,614**
Net debt of discontinued operations	–	(236)
NET DEBT INCLUDING DISCONTINUED OPERATIONS	**2,560**	**3,378**

(1) The current portion of amounts receivable from finance subleasing arrangements is not included in this caption (see Note 14.2.5).

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14.2.2 Breakdown of bond debt

(in millions of euros)	Maturity	Face value December 31, 2022	Issues	Repayments	Exchange differences	December 31, 2023	Book value of the debt December 31, 2023
Public placements by Carrefour SA		**7,288**	**1,250**	**(963)**	**(22)**	**7,552**	**7,520**
Non-dilutive convertible bonds, USD 500 million, 6 years, 0%	2023	469	–	(463)	(6)	–	–
EMTN, EUR, 5 years, 0.88%	2023	500	–	(500)	–	–	–
EMTN, EUR, 8 years, 0.750%	2024	750	–	–	–	750	750
Non-dilutive convertible bonds, USD 500 million, 6 years, 0%	2024	469	–	–	(16)	452	445
EMTN, EUR, 10 years, 1.25%	2025	750	–	–	–	750	749
EMTN, EUR, 7.5 years, 1.75%	2026	500	–	–	–	500	499
EMTN, EUR, 4.6 years, 1.88%	2026	750	–	–	–	750	748
EMTN, EUR, 8 years, 1.00%	2027	500	–	–	–	500	498
EMTN, EUR, 7.5 years, 2.625%	2027	1,000	–	–	–	1,000	996
EMTN, EUR, 6 years, 4.125%	2028	850	–	–	–	850	848
EMTN, EUR, 7.6 years, 2.38%	2029	750	–	–	–	750	745
EMTN, EUR, 7.5 years, 3.75%	2030	–	500	–	–	500	497
EMTN, EUR, 8 years, 4.375%	2031	–	750	–	–	750	744
Placements by Atacadão SA		**458**	**175**	**(90)**	**14**	**557**	**557**
Debentures, BRL 500 million, 5 years, 105.75% CDI	2023	90	–	(90)	0	–	–
Debentures, BRL 350 million, 5 years, 100% CDI+0.55%	2024	63	–	–	3	65	65
Debentures, BRL 200 million, 7 years, 100% CDI+0.65%	2026	36	–	–	1	37	37
Debenture ("CRA"), BRL 467 million, 4 years, 100% CDI+0.55%	2026	84	–	–	3	87	87
Debenture ("CRA"), BRL 330 million, 3 years, 100% CDI+0.95%	2026	–	62	–	(0)	62	62
Debenture ("CRA"), BRL 188 million, 5 years, 100% CDI+0.60%	2027	34	–	–	1	35	35
Debenture ("CRA"), BRL 844 million, 5 years, 100% CDI+0.79%	2027	152	–	–	6	158	158
Debenture ("CRA"), BRL 468 million, 4 years, 11.87%	2027	–	88	–	(1)	87	87
Debenture ("CRA"), BRL 132 million, 5 years, 100% CDI+1.00%	2028	–	25	–	(0)	25	25
TOTAL BONDS AND NOTES		**7,746**	**1,425**	**(1,053)**	**(8)**	**8,109**	**8,077**

On May 2, 2023, Carrefour SA carried out a new Sustainability-Linked Bond issue indexed to two goals related to greenhouse gas emissions, for a total of 500 million euros, maturing in seven and a half years (due in October 2030) and paying a coupon of 3.75%.

On June 12, 2023, Carrefour SA redeemed 500 million euros worth of 0.88% five-year bonds.

On June 14, 2023, Carrefour SA redeemed 500 million dollars worth of convertible, non-dilutive 0% six-year bonds.

Lastly, on November 7, 2023, Carrefour SA carried out a new Sustainability-Linked Bond issue indexed to two goals related to greenhouse gas emissions, for a total of 750 million euros, maturing in eight years (due in November 2031) and paying a coupon of 4.375%.

The Group's financial position and liquidity were solid at December 31, 2023. The average maturity of bond debt was 3.8 years at end-December 2023, compared with 3.6 years at end-December 2022.

FINANCING OF THE BRAZILIAN SUBSIDIARY ATACADÃO

On April 27, 2023, Atacadão redeemed 500 million Brazilian reals worth of debenture-type debt maturing in five years and paying a coupon of 105.75% of the CDI (*Certificado de Depósito Interbancário*) rate.

Conversely, on June 2, 2023, the Brazilian subsidiary issued simple unsecured, non-convertible debentures (*Certificado de Recebíveis do Agronegócio* – CRA) for an amount of 930 million Brazilian reals (approximately 174 million euros at the December 31, 2023 exchange rate) in three series:

- an initial series for 330 million Brazilian reals, with a coupon of CDI +0.95% and a maturity of three years;
- a second series for 468 million Brazilian reals, with a coupon of 11.87% before hedging, representing 111.20% of the CDI after hedging, and a maturity of four years;
- a third series for 132 million Brazilian reals, with a coupon of CDI +1.00% and a maturity of five years.

14.2.3 Breakdown of other borrowings

(in millions of euros)	December 31, 2023	December 31, 2022
Latin America borrowings	813	1,025
Other borrowings	238	72
Accrued interest[1]	68	57
Other financial liabilities	108	69
TOTAL OTHER BORROWINGS	**1,226**	**1,223**

(1) Accrued interest on total borrowings, including bonds and notes.

"Latin America borrowings" correspond to USD and EUR financing set up by the Brazilian subsidiary Atacadão. These US-dollar and euro-denominated facilities, which were originally fixed-rate, were converted into Brazilian reals and indexed to the Brazilian interbank deposit (*Certificado de Deposito Interbancário* – CDI) rate at the time of issue through cross-currency swaps over the life of the borrowings. These instruments are documented and recognised as fair value hedges.

At December 31, 2023, this financing includes loans taken out:

- in September 2021, for 1,410 million Brazilian reals;
- in April 2023, for 744 million Brazilian reals;
- in December 2023, for 2,323 million Brazilian reals, replacing a loan of 2,293 million Brazilian reals taken out in January 2023 and maturing on the same date.

14.2.4 Cash and cash equivalents

Accounting principles

Cash includes cash on hand and demand deposits.

Cash equivalents are highly liquid investments with an original maturity of less than three months that are readily convertible to a known amount of cash and are subject to an insignificant risk of changes in value.

(in millions of euros)	December 31, 2023	December 31, 2022
Cash	1,778	1,420
Cash equivalents	4,512	3,796
TOTAL CASH AND CASH EQUIVALENTS	**6,290**	**5,216**

There are no material restriction on the Group's ability to recover or use the assets and settle the liabilities of foreign operations, except for those resulting from local regulations in its host countries.

The local supervisory authorities may require banking subsidiaries to comply with certain capital, liquidity and other ratios and to limit their exposure to other Group parties.

At December 31, 2023, there was no restricted cash.

14.2.5 Other current financial assets

(in millions of euros)	December 31, 2023	December 31, 2022 IFRS 3 restated
Derivative instruments(1)	115	325
Financial receivable(2)	127	188
Other current financial assets – Fair Value through OCI	176	149
Other current financial assets – Fair Value through profit or loss(3)	191	1
Sub-lease receivable – less than one year	47	43
Deposits with maturities of more than three months	22	64
Other	7	1
TOTAL OTHER CURRENT FINANCIAL ASSETS	**685**	**771**

(1) The 211 million euro decrease in this item compared to December 31, 2022 primarily reflects (i) the unwinding of the EUR/TWD currency swap – for which mark-to-market value amounted to 64 million euros at end-2022 – following the sale of Carrefour Taiwan on June 30, 2023, and (ii) the unwinding of the currency swap hedging the non-dilutive convertible bond – for which mark-to-market value amounted to 69 million euros at end-2022 – after the bond was redeemed in June 2023 (see Note 14.2.2), and (iii) the unwinding of the swaptions partially hedging the interest rate on the two 2023 bond issues – for which mark-to-market value amounted to 40 million euros at end-2022.

(2) This amount represents the financial receivable relating to the 20% stake in Carrefour China. At December 31, 2022 as restated for IFRS 3, this amount also included the current portion of the reduction in the purchase price for Grupo BIG in Brazil amounting to 51 million euros, which was received in April 2023 (see Note 2.1.1.3).

(3) This amount corresponds almost exclusively to dollar- and inflation-linked investments made by Carrefour Argentina during 2023.

14.3 Analysis of borrowings (excluding derivative instruments recorded in liabilities)

14.3.1 Analysis by interest rate

	December 31, 2023		December 31, 2022	
(in millions of euros)	Before hedging	After hedging	Before hedging	After hedging
Fixed rate borrowings	8,930	8,026	8,843	7,902
Variable rate borrowings	495	1,398	567	1,508
TOTAL BORROWINGS (EXCLUDING DERIVATIVE INSTRUMENTS RECORDED IN LIABILITIES)	**9,425**	**9,425**	**9,410**	**9,410**

14.3.2 Analysis by currency

(in millions of euros)	December 31, 2023	December 31, 2022
Euro	8,025	7,901
Brazilian real	1,396	1,506
Polish zloty	–	2
Romanian leu	3	1
TOTAL BORROWINGS (EXCLUDING DERIVATIVE INSTRUMENTS RECORDED IN LIABILITIES)	**9,425**	**9,410**

The above analysis includes the effect of hedging.

Euro-denominated borrowings represented 85% of total borrowings (excluding derivative instruments recorded in liabilities) at December 31, 2023 (84% at December 31, 2022).

14.3.3 Analysis by maturity

(in millions of euros)	December 31, 2023	December 31, 2022
Due within 1 year	2,161	2,498
Due in 1 to 2 years	1,179	1,514
Due in 2 to 5 years	4,087	3,799
Due beyond 5 years	1,998	1,599
TOTAL BORROWINGS (EXCLUDING DERIVATIVE INSTRUMENTS RECORDED IN LIABILITIES)	**9,425**	**9,410**

14.4 Changes in liabilities arising from financing activities

(in millions of euros)	Other current financial assets[(1)]	Borrowings	Total Liabilities arising from financing activities, net
At December 31, 2022 IFRS 3 restated	**(728)**	**9,558**	**8,830**
Changes from financing cash flows	**21**	**(375)**	**(354)**
Change in current financial assets	21	–	21
Issuance of bonds	–	1,425	1,425
Repayments of bonds	–	(1,053)	(1,053)
Net financial interests paid	–	(184)	(184)
Net repayments of Commercial papers	–	(368)	(368)
Other changes in borrowings	–	(195)	(195)
Non-cash changes	**69**	**304**	**373**
Exchange differences	125	(51)	74
Effect of changes in scope of consolidation	0	12	12
Changes in fair values	7	6	13
Finance costs, net	(52)	310	258
Other movements	(11)	28	17
At December 31, 2023	**(638)**	**9,487**	**8,849**

(1) This item does not include amounts receivable from finance subleasing arrangements and was restated in accordance with IFRS 3 (see Note 4).

14.5 Other non-current financial assets

(in millions of euros)	December 31, 2023	December 31, 2022 IFRS 3 restated
Deposits and guarantees[(1)]	637	594
Financial services companies' portfolio of assets	262	243
Sub-lease receivable – more than one year[(2)]	73	72
Financial receivable[(3)]	–	88
Investments in non-consolidated companies[(4)]	154	178
Other	102	75
TOTAL OTHER NON-CURRENT FINANCIAL ASSETS	**1,229**	**1,251**

(1) Deposits and guarantees notably include legal deposits paid in Brazil in connection with tax reassessments challenged by the Group (see Notes 11.2 and 11.3) pending final court rulings, as well as security deposits paid to lessors under property leases.
(2) Amounts receivable from finance subleasing arrangements are recognised in application of IFRS 16.
(3) The amount recognised under this line at December 31, 2022 included the long-term portion of the financial receivable relating to the reduction in the purchase price for Grupo BIG in Brazil for 88 million euros, received in August 2023 (see Note 2.1.1.3).
(4) The decrease in investments in non-consolidated companies in 2023 was mainly due to the change in the fair value of Flink shares.

14.6 Finance costs and other financial income and expenses

Accounting principles

This item corresponds mainly to finance costs.

In accordance with IFRS 16, it also includes interest expenses on leases along with interest income on finance subleasing arrangements (see Note 8).

Other financial income and expenses consist notably of discounting adjustments, taxes on financial transactions, late interest payable on certain liabilities, or the effects of hyperinflation in Argentina.

This item breaks down as follows:

(in millions of euros)	2023	2022
Interest income from loans and cash equivalents	**168**	**20**
Interest income from bank deposits	116	20
Interest income from investments	52	0
Finance costs	**(426)**	**(356)**
Interest expense on financial liabilities measured at amortised cost, adjusted for income and expenses from interest rate instruments	(385)	(321)
Cost of receivables discounting in Brazil	(41)	(35)
Finance costs, net	**(258)**	**(336)**
Interest charge related to lease commitments	(210)	(167)
Interest income related to financial sublease contracts	1	1
Net interests related to lease commitments	**(208)**	**(167)**
Interest expense on defined employee benefit debt	(29)	(9)
Interest income on pension plan assets	7	2
Financial transaction tax	(26)	(33)
Late interest due in connection with tax reassessments and employee-related litigation	(38)	(51)
Dividends received on financial assets at FVOCI	7	5
Gain on disposal of financial assets at FVOCI	10	8
Loss on disposal of financial assets at FVOCI	(0)	(3)
Exchange gains and losses	12	(8)
Cost of bond buybacks	–	(7)
Changes in the fair value of interest rate derivatives	0	(1)
Impact of hyperinflation in Argentina – application of IAS 29	104	119
Other(1)	8	(8)
Other financial income and expenses, net	**56**	**13**
FINANCE COSTS AND OTHER FINANCIAL INCOME AND EXPENSES, NET	**(410)**	**(490)**
Financial expenses	*(608)*	*(644)*
Financial income	*198*	*154*

(1) In 2023, this item includes 21 million euros in interest relating to the reduction in the purchase price for Grupo BIG in Brazil (see Note 2.1.1.3).

14.7 Risk management

The main risks associated with the financial instruments used by the Group are liquidity, interest rate, currency, credit, commodity and equity risks. The Group's policy for managing these risks is described below.

Due to the differing natures of the various businesses, financial risks arising from the banking and insurance business are managed separately from those related to the retail business.

An organisation has been set up to track financial risks based on a cash-pooling system managed by the Corporate Treasury and Financing department. A reporting system ensures that Group Executive Management can oversee the department's implementation of the approved management strategies.

For financial services and insurance activities, risk management and monitoring are overseen directly by the entities concerned, under the aegis of the Corporate Treasury and Financing department and the Group Financial and Merchant Services department. These departments oversee the proper implementation of the rules governing these businesses, jointly with other investors. Periodic reports are sent to them by the local teams.

14.7.1 Liquidity risk

14.7.1.1 Retail business

Liquidity risk is the risk that Carrefour will be unable to settle its financial liabilities when they fall due.

The Group manages its liquidity risk by ensuring, to the extent possible, that it has sufficient liquid assets at all times to settle its liabilities when they fall due, whatever the conditions in the market.

Liquidity risk is monitored by a Liquidity Committee which meets at monthly intervals to check that the Group's financing needs are covered by its available resources.

Corporate Treasury and Financing's liquidity management strategy consists of:

- promoting prudent financing strategies in order to ensure that the Group's credit rating allows it to raise funds on the bond and commercial paper markets;
- maintaining a presence in the debt market through regular debt issuance programmes, mainly in euros, in order to create a balanced maturity profile. The Group's issuance capacity under its Euro Medium-Term Notes (EMTN) programme totals 12 billion euros;
- using the 5 billion euro commercial paper programme on Euronext Paris, described in a prospectus filed with the Banque de France;
- maintaining undrawn medium-term bank facilities that can be drawn down at any time according to the Group's needs. At December 31, 2023, the Group had two undrawn syndicated lines of credit obtained from a pool of leading banks, for a total of 3.9 billion euros. In June 2019, Carrefour amended these two credit facilities, incorporating an innovative Corporate Social Responsibility (CSR) component in the first CSR-linked credit transaction in the European Retail sector. In May 2021, Carrefour exercised the option to extend its two credit facilities from June 2025 to June 2026. The option was applied to more than 99% of the Group's banking facilities. Group policy consists of keeping these facilities on stand-by to support the commercial paper programme. The loan agreements for the syndicated lines of credit include the usual commitment clauses, including *pari passu*, negative pledge, change of control and cross-default clauses and a clause restricting substantial sales of assets. The pricing grid may be adjusted up or down to reflect changes in the long-term credit rating.

The main transactions in 2023 were as follows (see Note 14.2.2):

- a 500 million euro Sustainability-Linked Bond issue indexed to two goals related to greenhouse gas emissions, maturing in seven and a half years (due in October 2030) and paying a coupon of 3.75%;
- a 750 million euro Sustainability-Linked Bond issue indexed to two goals related to greenhouse gas emissions, maturing in eight years (due in November 2031) and paying a coupon of 4.375%;
- redemption of 500 million euros worth of 0.88% five-year bonds;
- redemption of 500 million US dollars worth of convertible, non-dilutive 0% six-year bonds.

Other financing transactions were carried out by Brazilian subsidiary Atacadão in 2023; these are detailed in Notes 14.2.2 and 14.2.3.

As a reminder, in 2022, the Group redeemed 1 billion euros worth of 1.75% eight-year bonds ahead of their July 2022 maturity. It also carried out two Sustainability-Linked Bond issues, indexed to the Group's sustainable development goals. The first 1.5 billion euro issue comprised a 750 million euro tranche with a maturity of 4.6 years and a coupon of 1.88% per annum, and a second 750 million euro tranche with a maturity of 7.6 years and a coupon of 2.38% per annum. The second issue was for an initial amount of 500 million euros, a maturity of six years and a coupon of 4.125% per annum. The issue was increased by 350 million euros offering the same terms in November 2022.

The Group considers that its liquidity position is robust. It has sufficient cash reserves to meet its debt repayment obligations in the coming year.

The Group's debt profile is balanced, with no peak in refinancing needs across the remaining life of bond debt, which averaged 3.8 years as of December 31, 2023, compared with 3.6 years as of December 31, 2022.

14.7.1.2 Banking and insurance businesses

The liquidity risk of financial services companies is monitored within the framework of an Executive Management-approved liquidity strategy that is part of the Group's overall strategy. Each entity's refinancing situation is assessed based on internal standards and early warning indicators.

Liquidity risk management objectives are to:

- diversify sources of financing to include central bank programmes, bonds, securitisation programs for renewable credit facilities, negotiable debt issues and repos;
- create a balanced banking relationship using credit facilities granted by our local partners in addition to those granted by our shareholders;
- secure refinancing sources in accordance with internal and external criteria (rating agencies and supervisory authorities);
- ensure a balanced profile in terms of debt maturity and type;
- comply with regulatory ratios.

In May 2023, Carrefour Banque issued a new 500 million euro bond with a four-year maturity (due May 2027) with a fixed rate swapped for the three-month Euribor +95 basis points, and in June 2023 redeemed ahead of term the 400 million euro bond issued in September 2019 with a floating rate of three-month Euribor +65 basis points (initial maturity in September 2023).

Banco CSF (Brazil) issued several financial bills (*Letra Financeira*) throughout 2023 for a total amount of 712 million Brazilian reals and redeemed several others that were outstanding at end-2022, for an amount of 767 million Brazilian reals. As a result, the balance amounted to 1,962 million Brazilian reals at December 31, 2023.

As a reminder, several structured financing operations were carried out in 2022:

- a 400 million euro bond issue was redeemed early by Carrefour Banque in March 2022;
- Banco CSF (Brazil) had issued several *Letra Financeira* for 700 million Brazilian reals and redeemed several others that were outstanding at end-2021, including the *Letra Financeira Garantida* subscribed in December 2021 in an amount of 114 million Brazilian reals.

The following tables analyse the cash outflows relating to the Group's financial liabilities, by period and payment due date.

December 31, 2023 *(in millions of euros)*	Carrying amount	Contractual cash flows	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
Fair value hedged borrowings(2)	813	813	390	423	–
Fixed rate borrowings	8,117	9,002	1,857	4,991	2,154
Unhedged borrowings	495	494	90	404	–
Derivative instruments	63	61	42	16	3
Total Borrowings	**9,487**	**10,371**	**2,380**	**5,834**	**2,157**
Suppliers and other creditors	14,242	14,242	14,173	43	26
Consumer credit financing	5,702	5,702	3,771	1,931	–
Other current payables(1)	2,713	2,713	2,713	–	–
TOTAL FINANCIAL LIABILITIES	**32,145**	**33,028**	**23,038**	**7,808**	**2,183**

(1) Excluding deferred revenue.
(2) Borrowings hedged by fair value hedges correspond to the financing facilities in US dollars and euros set up and swapped for Brazilian reals by Brazilian subsidiary Atacadão in September 2021, April 2023 and December 2023, for 1,410 million reals (after repayment of 527 million reals in March and June 2023), 744 million reals and 2,323 million reals, respectively (see Note 14.2.3).

December 31, 2022 *(in millions of euros)*	Carrying amount	Contractual cash flows	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
Fair value hedged borrowings(2)	941	941	699	242	–
Fixed rate borrowings	7,902	8,542	1,733	5,142	1,667
Unhedged borrowings	567	567	198	370	–
Derivative instruments	148	147	128	17	1
Total Borrowings	**9,558**	**10,197**	**2,758**	**5,770**	**1,668**
Suppliers and other creditors	14,393	14,393	14,340	34	20
Consumer credit financing	5,142	5,142	3,592	1,550	–
Other current payables(1)	2,813	2,813	2,813	–	–
TOTAL FINANCIAL LIABILITIES	**31,906**	**32,545**	**23,502**	**7,354**	**1,688**

(1) Excluding deferred revenue.

(2) Borrowings hedged by fair value hedges corresponded to the financing facilities in US dollars and euros set up and swapped for Brazilian reals by Brazilian subsidiary Atacadão in April 2020, September 2021 and January 2022, for 1,500 million reals (of which 750 million reals were repaid in April 2022), 1,937 million reals and 2,942 million reals, respectively (see Note 14.2.3).

The cash flows relating to the Group's lease commitments (established based on reasonably certain lease terms within the meaning of IFRS 16) are presented by maturity in Note 8.2.

14.7.2 Interest-rate risk

Interest rate risk is the risk of a change in interest rates leading to an increase in the Group's net borrowing costs.

It is managed at head-office level by Corporate Treasury and Financing, which reports monthly to an Interest Rate Risk Committee responsible for recommending hedging strategies and methods to be used to limit interest rate exposures and optimise borrowing costs.

Long-term borrowings are generally at fixed rates of interest and do not therefore give rise to any exposure to rising interest rates.

Various financial instruments are nonetheless used to hedge borrowings against the risk of changes in interest rates. These are mainly basic swaps and options. Hedge accounting is applied in all cases where the required criteria are met.

Variable rate long-term borrowings are hedged using financial instruments that cap rises in interest rates over all or part of the life of the debt.

The following table shows the sensitivity of total borrowings to changes in interest rates over one year:

	50-bps decline		**50-bps increase**	
(in millions of euros) (- = loss; + = gain)	Impact on shareholders' equity (OCI)	Impact on income statement	Impact on shareholders' equity (OCI)	Impact on income statement
Investments	–	(31)	–	31
Variable rate borrowings	–	7	–	(7)
Swaps qualified as cash flow hedges	–	–	–	–
Options qualified as cash flow hedges	(2)	–	3	–
TOTAL EFFECT	**(2)**	**(24)**	**3**	**24**

14.7.3 Foreign exchange risk

Currency transaction risk is the risk of an unfavourable change in exchange rates having an adverse effect on cash flows from commercial transactions denominated in foreign currency.

The Group conducts its international operations through subsidiaries that operate almost exclusively in their home country, such that purchases and sales are denominated in local currency. As a result, the Group's exposure to currency risk on commercial transactions is naturally limited and mainly concerns imported products. Currency risk on import transactions covered by firm commitments (i.e., goods purchases billed in foreign currencies) is hedged by forward purchases of the payment currency. Currency hedges are generally for periods of less than 12 months.

The following table shows the effect of an increase/decrease in exchange rates on currency instruments:

(in millions of euros) (- = loss; + = gain)	10% decrease		10% increase	
	Impact on shareholders' equity (OCI)	**Impact on income statement**	**Impact on shareholders' equity (OCI)**	**Impact on income statement**
Position EUR/USD	–	84	–	(84)
Position EUR/HKD	–	–	–	–
Position EUR/PLN	–	9	–	(9)
Position EUR/RON	–	3	–	(3)
Position USD/RON	–	(2)	–	2
Position CHF/EUR	–	–	–	–
Position BRL/EUR	(58)	–	68	–
TOTAL EFFECT	**(58)**	**95**	**68**	**(95)**

Currency translation risk is the risk of an unfavourable change in exchange rates reducing the value of the net assets of a subsidiary whose functional currency is not the euro, after conversion into euros for inclusion in the Group's consolidated statement of financial position.

The consolidated statement of financial position and income statement are exposed to a currency translation risk: consolidated financial ratios are affected by changes in exchange rates used to translate the income and net assets of foreign subsidiaries operating outside the eurozone.

The translation risk on foreign operations outside the euro zone mainly concerns the Brazilian real and Argentine peso. Factoring out Argentina, which saw a major devaluation of the peso during the year, sales and recurring operating income for 2023 at constant exchange rates would have been virtually identical at current exchange rates.

Lastly, any local financing is generally implemented in local currency.

14.7.4 Credit risk

The Group's estimated exposure to credit risk is presented below:

(in millions of euros)	December 31, 2023	December 31, 2022 IFRS 3 restated
Investments in non-consolidated companies	154	178
Other long-term investments	1,074	1,073
Total Other non-current financial assets	**1,229**	**1,251**
Consumer credit granted by the financial services companies	6,554	5,978
Trade receivables	3,269	3,330
Other current financial assets	685	771
Other current assets(1)	564	606
Cash and cash equivalents	6,290	5,216
MAXIMUM EXPOSURE TO CREDIT RISK	**18,592**	**17,153**

(1) Excluding prepaid expenses.

14.7.4.1 Retail business

1) TRADE RECEIVABLES

Trade receivables correspond mainly to amounts receivable from franchisees (for delivered goods and franchise fees) and suppliers (mainly rebates and commercial income). Impairment losses are recognised where necessary, based on an estimate of the debtor's ability to pay the amount due and the age of the receivable.

At December 31, 2023, trade receivables net of impairment (excluding receivables from suppliers) amounted to 2,223 million euros (see Note 6.4.3). At that date, past due receivables amounted to a net 271 million euros, of which 43 million euros were over 90 days past due (1.9% of total trade receivables net of impairment excluding receivables from suppliers).

2) INVESTMENTS (CASH EQUIVALENTS AND OTHER CURRENT FINANCIAL ASSETS)

The Group's short-term cash management strategy focuses on acquiring liquid investments that are easily convertible into cash and are subject to an insignificant risk of changes in value.

Investments are made for the most part by Corporate Treasury and Financing, in diversified instruments such as term deposits with leading banks and mutual funds classified by the French financial markets authority (*Autorité des marchés financiers* – AMF) as "money market" and "short-term money market" funds without any withdrawal restrictions. Investments made at the country level are approved by Corporate Treasury and Financing.

Counterparty risk monitoring procedures are implemented to track counterparties' direct investment strategies and the underlying assets held by mutual funds in which the Group invests. The Group's objective is to never hold more than 5% of a fund's net assets and to never invest more than 250 million euros in any single fund.

14.7.4.2 Banking and insurance businesses

A description of credit risk management processes and the method used to determine and record impairment losses in the banking and insurance businesses is provided in Note 6.5.1.

ANALYSIS OF DUE AND NOT YET DUE CONSUMER LOANS

(in millions of euros)	December 31, 2023	Amounts not yet due at the period-end	Amounts due and past due at the period-end			
			0 to 3 months	3 to 6 months	6 months to 1 year	More than one year
Consumer credit granted by the financial services companies	6,554	5,776	428	85	115	151

(in millions of euros)	December 31, 2022	Amounts not yet due at the period-end	Amounts due and past due at the period-end			
			0 to 3 months	3 to 6 months	6 months to 1 year	More than one year
Consumer credit granted by the financial services companies	5,978	5,181	523	76	93	105

ANALYSIS OF CONSUMER LOANS BY MATURITY

(in millions of euros)	December 31, 2023	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
France	1,490	622	759	109
Belgium	172	5	136	31
Spain	1,816	1,128	258	429
Argentina	49	49	0	–
Brazil	3,027	2,840	188	0
TOTAL	**6,554**	**4,644**	**1,341**	**570**

(in millions of euros)	December 31, 2022	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years
France	1,254	538	624	92
Belgium	153	4	124	25
Spain	2,053	1,187	340	527
Argentina	71	71	0	–
Brazil	2,447	2,311	136	0
TOTAL	**5,978**	**4,111**	**1,224**	**643**

14.7.5 Equity risk

Group policy is to avoid taking positions on its own shares or those of other companies, except in response to particular circumstances or needs.

Marketable securities portfolios and other financial investments held by the Group consist for the most part of money market instruments that do not expose the Group to any material equity risk.

From time to time, the Group buys back its shares on the market or purchases call options on its shares.

These shares are mainly used to cover stock option and performance share plans. At December 31, 2023, shares held in treasury by the Group covered its total commitments under these plans.

The equity risk associated with the conversion options embedded in the bonds issued by the Group in March 2018 is fully hedged by symmetrical options contracted with banks. The derivatives are recognised as assets and liabilities in the statement of financial position in a total amount of 0.7 million euros.

14.7.6 Commodity risk

Commodity risk is the risk that a change in the price of commodities could have an adverse effect on the Group's future cash flows.

The Group's exposure to commodity risk mainly results from energy prices, and more specifically the cost of biomethane (in the context of freight transport) and electricity. This risk is hedged by forward purchase contracts on the various underlyings, the maturities of which can exceed 12 months. These forwards qualify as cash flow hedges for accounting purposes.

At December 31, 2023, these contracts were valued as follows:

	ASSETS		LIABILITIES	
(in millions of euros)	**Face value**	**Fair value**	**Face value**	**Fair value**
Forward contracts hedging biomethane exposure	–	–	13	(4)
Forward contracts hedging electricity provision	–	–	21	(6)
TOTAL	**–**	**–**	**34**	**(10)**

The calculation of the pre-tax impact of a change in the value of derivatives due to an increase/decrease in prices is shown below:

	10% decrease		10% increase	
(in millions of euros) (- = loss; + = gain)	**Impact on shareholders' equity (OCI)**	**Impact on income statement**	**Impact on shareholders' equity (OCI)**	**Impact on income statement**
Forward contracts hedging biomethane exposure	(1)	–	1	–
Forward contracts hedging electricity provision	(1)	–	1	–
TOTAL EFFECT	**(2)**	**–**	**2**	**–**

In 2023, as part of its goal of achieving net-zero carbon emissions from its store operations by 2040, the Group signed four Physical Power Purchase Agreements. These agreements cover wind and solar farms in France, which will produce around 100 GWh per year from 2024, equivalent to the power consumed by 29 hypermarkets. They are accounted for as executory contracts ("own-use" exemption as provided for by IFRS 9).

The Group will continue to accelerate the implementation of these green energy contracts across all of its geographies by considering both Physical and Virtual Power Purchase Agreements.

NOTE 15 OFF-BALANCE SHEET COMMITMENTS

Accounting principles

Commitments given and received by the Group that are not recognised in the statement of financial position correspond to contractual obligations whose performance depends on the occurrence of conditions or transactions after the period-end. There are four types of off-balance sheet commitments, related to cash management transactions, retailing operations, purchases and sales of securities, and leases.

Commitments given *(in millions of euros)*	December 31, 2023	By maturity Due within 1 year	Due in 1 to 5 years	Due beyond 5 years	December 31, 2022(1)
Related to cash management transactions	8,819	8,025	692	102	9,264
Financial services companies	*8,525*	*7,964*	*558*	*4*	*8,895*
Other companies	*294*	*62*	*134*	*99*	*369*
Related to operations/real estate/expansion	2,934	1,756	984	194	1,213
Related to purchases and sales of securities	157	18	37	102	137
Related to leases	269	59	126	85	248
TOTAL	**12,180**	**9,858**	**1,838**	**484**	**10,862**

Commitments received *(in millions of euros)*	December 31, 2023	By maturity Due within 1 year	Due in 1 to 5 years	Due beyond 5 years	December 31, 2022(1)
Related to cash management transactions	5,941	804	5,081	55	5,984
Financial services companies	*1,350*	*158*	*1,175*	*17*	*1,426*
Other companies	*4,591*	*646*	*3,906*	*39*	*4,557*
Related to operations/real estate/expansion	1,930	392	1,080	458	1,612
Related to purchases and sales of securities	459	313	108	38	426
Related to leases	667	331	250	87	467
TOTAL	**8,997**	**1,841**	**6,518**	**638**	**8,488**

(1) The reported balance of commitments given and received at December 31, 2022 did not include Grupo BIG commitments. Grupo BIG was acquired in 2022 (see Note 2.1.1.3).

Off-balance sheet commitments related to cash management transactions include:

- credit commitments given to customers by the Group's financial services companies in the course of their operating activities, and credit commitments received from banks;
- mortgages and other guarantees given or received, mainly in connection with the Group's real estate activities;
- committed lines of credit available to the Group but not drawn down at the period-end.

Off-balance sheet commitments related to operations mainly include:

- commitments given for land purchases or construction work to be performed in connection with the Group's expansion programmes;
- miscellaneous commitments arising from commercial contracts;
- rent guarantees and guarantees from shopping mall operators;
- guarantees for the payment of receivables.

Off-balance sheet commitments related to securities consist of commitments to purchase and sell securities received from or given to third parties:

- for the most part in France, in connection with the Group's franchising activities;
- including immediately exercisable put and call options and sellers' warranties given to third parties. No value is attributed to sellers' warranties received by the Group.

Off-balance sheet commitments related to leases correspond to minimum payments under non-cancellable leases qualifying for the exemptions set out in IFRS 16 and also the IFRS 16 leases for which the underlying assets had not been made available as of December 31, 2023.

NOTE 16 SUBSEQUENT EVENTS

On January 8, 2024, the Brazilian subsidiary Atacadão issued debentures for an amount of 1.5 billion Brazilian reals (approximately 280 million euros at the December 31, 2023 exchange rate) in two tranches:

- an initial tranche for 650 million Brazilian reals, with a coupon of CDI +1.2% and a maturity of two years;
- a second tranche for 850 million Brazilian reals, with a coupon of CDI +1.35% and a maturity of three years;

On February 5, 2024, the Brazilian subsidiary Atacadão issued simple, unsecured non-convertible debentures (*Certificado de Recebíveis do Agronegócio* – CRA) for an amount of 1 billion Brazilian reals (approximately 187 million euros at the December 31, 2023 exchange rate) in five tranches:

- an initial tranche for 146 million Brazilian reals, with a coupon of CDI +0.85% and a maturity of three years;
- a second tranche for 61 million Brazilian reals, with a coupon of CDI +0.95% and a maturity of five years;
- a third tranche for 341 million Brazilian reals, with a coupon of between 109.95% and 110.07% of the CDI (after hedging) and a maturity of three years;
- a fourth tranche for 196 million Brazilian reals, with a coupon of 110.10% of the CDI (after hedging) and a maturity of five years;
- a fifth tranche for 256 million Brazilian reals, with a coupon of between 110.80% and 111.20% of the CDI (after hedging) and a maturity of seven years.

On January 25, 2024, the Group announced that it had entered into exclusive negotiations with the Intermarché group with a view to acquiring 31 stores. These stores generated sales of around 400 million euros in 2022. The amount of the acquisition is not material.

Under the terms of this agreement, Carrefour will replace Intermarché for the purchase of 25 stores from Casino (purchase commitment signed on February 8, 2024), while the remaining six stores will be acquired directly from Intermarché.

The Group has undertaken to maintain all employees working in the stores along with their social benefits for a minimum period of 15 months.

The transaction is subject to the usual conditions precedent, notably the authorisation of the French competition authority. The transaction is expected to be completed in April 2024 for the stores acquired from Casino and in the second quarter of 2024 for the stores acquired from Intermarché.

NOTE 17 AUDITORS' FEES

	Fees 2023					
(in thousands euros)	Deloitte & Associés(1)	Network	Total Deloitte	Mazars(1)	Network	Total Mazars
Financial statements certification services	**2,498**	**3,354**	**5,851**	**2,150**	**1,292**	**3,441**
Carrefour SA – Issuer	*496*	–	*496*	*428*	–	*428*
Subsidiaries (controlled entities)	*2,002*	*3,354*	*5,356*	*1,722*	*1,292*	*3,014*
Other services(2)	**352**	**347**	**700**	**120**	**44**	**164**
Carrefour SA – Issuer	*274*	–	*274*	*32*	–	*32*
Subsidiaries (controlled entities)	*78*	*347*	*426*	*88*	*44*	*132*
TOTAL	**2,850**	**3,701**	**6,551**	**2,270**	**1,335**	**3,605**

(1) Carrefour SA (parent company) Statutory Auditors (excluding services provided by their network).
(2) Including services that are to be provided by Statutory Auditors by law.

Non-audit services provided to the parent, Carrefour SA, and its subsidiaries by the Statutory Auditors include mainly services in relation to the issuance of statements and reports on agreed-upon procedures concerning financial information and internal control or due-diligence in the context of an acquisition or a disposal.

NOTE 18 LIST OF CONSOLIDATED COMPANIES

18.1 Fully consolidated companies at December 31, 2023

FRANCE	Percent interest used in consolidation
ABREDIS	100
AMIDIS ET CIE	100
ANTIDIS	100
BELLEVUE DISTRIBUTION	100
BLO DISTRIBUTION	100
BRINGO FRANCE	100
BRINGO INTERNATIONAL	100
BRINGO TECH	100
BRUNIEDIS	100
C.DICAR	100
C.DIS	100
C.S.F	100
C.S.V	100
CANDIS	100
CARAUTOROUTES	100
CARDADEL	100
CARFIDIS	100
CARFUEL	100
CARGO INVEST	100
CARGO PROPERTY DEVELOPMENT	100
CARIMA	100
CARMA	50
CARMA VIE	50
CARRE D'OR DISTRIBUTION	100
CARREFOUR ADMINISTRATIF FRANCE	100
CARREFOUR BANQUE	60
CARREFOUR DÉVELOPPEMENT URBAIN	100
CARREFOUR DRIVE	100
CARREFOUR FINANCE	100
CARREFOUR FRANCE	100
CARREFOUR FRANCE PARTICIPATION	100
CARREFOUR HYPERMARCHÉS	100

FRANCE	Percent interest used in consolidation
CARREFOUR IMPORT	100
CARREFOUR MANAGEMENT	100
CARREFOUR MARCHANDISES INTERNATIONALES	100
CARREFOUR MONACO	100
CARREFOUR OMNICANAL	100
CARREFOUR PARTENARIAT INTERNATIONAL	100
CARREFOUR PROPERTY FRANCE	100
CARREFOUR PROPERTY GESTION	100
CARREFOUR PROXIMITÉ FRANCE	100
CARREFOUR RÉGIE PUBLICITAIRE	100
CARREFOUR SA	100
CARREFOUR SERVICES CLIENTS	100
CARREFOUR SERVICES FACTORY	100
CARREFOUR STATION SERVICE	100
CARREFOUR SUPPLY CHAIN	100
CARREFOUR SYSTÈMES D'INFORMATION	100
CARREFOUR VOYAGES	100
CENTRE D'ACTIVITÉS DE DRAGUIGNAN SALAMANDRIER	100
CENTRE DE FORMATION ET COMPÉTENCES	100
CL CV LOGISTIQUE	100
CLAIREFONTAINE	100
COFLEDIS	100
COMPAGNIE D'ACTIVITÉ ET DE COMMERCE INTERNATIONAL	100
COMPTOIR SAVOYARD DE DISTRIBUTION	74
COVIAM 8	100
COVICAR 2	100
COVICAR 44	100
COVICAR 51	100
COVICAR 55	100
CRPF LOG INVEST	100

FRANCE	Percent interest used in consolidation
CRPF NANTES	100
CRPF SARTROUVILLE	100
CRFP VESTA PROPERTY	100
CRFP13	100
CRFP20	100
CRFP22	100
CRFP23	100
CRFP24	100
CRFP25 (UNLIMITAIL)	51
CRFP8	100
CORDIS	100
CROQUETTELAND	100
CSD TRANSPORTS	74
DASTORE	100
DAUPHINOISE DE PARTICIPATIONS	100
DE LA FONTAINE	51
DELMAS	100
DEJBOX LAB	86
DEJBOX SERVICES	86
DES CALLOUETS	51
DIGITAL MEDIA SHOPPER	100
DISTRIVAL	100
DOREL	100
ENTREPÔT PÉTROLIER DE LA GIRONDE	66
ETS LUCIEN LAPALUS ET FILS	100
FALDIS	100
FCT MASTER CREDIT CARD 2013	60
FINANCIÈRE RSV	100
FINIFAC	100
FONMARTOP	100
FORUM DÉVELOPPEMENT	100
GAMACASH	100
GEILEROP	100
GENEDIS	100

FRANCE	Percent interest used in consolidation
GIE BREST BELLEVUE	80
GREENWEEZ	100
GSMC	100
GUYENNE & GASCOGNE	100
GVTIMM	51
HYPARLO	100
HYPERADOUR	100
IMMO ARTEMARE	51
IMMOBILIÈRE CARREFOUR	100
IMMOBILIÈRE PROXI	100
IMMOCYPRIEN	51
IMMODIS	100
INTERDIS	100
LA CROIX VIGNON	51
LALAUDIS	100
LANN KERGUEN	51
LESCHENES	100
LOGIDIS	100
LOVADIS	100
LYBERNET	50
MAISON JOHANES BOUBEE	100
MATOLIDIS	100
MENHIR	100
MONTEL DISTRIBUTION	100
NASOCA	100
NOOPART	100
NOSAEL	51
PARLITOP	100
PARSEVRES	100
PASDEL	100
PHIVETOL	100
PLANETA HUERTO	100
POTAGER CITY	88
PROFIDIS	100

FRANCE	Percent interest used in consolidation
PUECH ECO	100
ROYAL	100
SAFABE	100
SAFETY	100
SAINT HERMENTAIRE	100
SALACA	100
SAS LOUIS SEGUIN – ANGLET	100
SCI AZIMMO	100
SCI DE SIAM	51
SCI IMMO BAQUEVILLE	51
SCI IMMOTOURNAY	51
SCI LÉGÈRE	100
SCI LES HAUTS DE ROYA	100
SCI LES TASSEAUX	51
SCI LES VALLÉES	51
SCI MAXIMOISE DE CRÉATION	51
SCI PROXALBY	74
SCI RESSONS	51
SCI SIGOULIM	51
SELIMA	100
SMARTECO	100
SO.BIO	100
SO.BIO SÈVRES	100
SOCIÉTÉ D'ALIMENTATION MODERNE	100
SOCIÉTÉ DES HYPERMARCHÉS DE LA VÉZÈRE	50
SOCIÉTÉ DES NOUVEAUX HYPERMARCHÉS	100
SOCIÉTÉ LUDIS	100
SOCIETE MODERNE DE DISTRIBUTION MAISON VIZET-FAVRE	81
SODIMODIS	100
SODISAL	100
SODITRIVE	100
SOFALINE	100
SOFIDIM	99

FRANCE	Percent interest used in consolidation
SORGENTE NATURA	100
SOVAL	100
STELAUR	100
STENN	100
SUPERADOUR	100
SUPERDIS	97
TIADIS	100
VAN-K	100
VÉZÈRE DISTRIBUTION	50
VILLES ET COMMERCES	80
VIZEGU	90
ZORMAT	100

GERMANY	Percent interest used in consolidation
CARREFOUR PROCUREMENT INTERNATIONAL BV & CO. KG	100

ARGENTINA	Percent interest used in consolidation
BANCO DE SERVICIOS FINANCIEROS SA	92
INC S.A.	100

BELGIUM	Percent interest used in consolidation
BRUGGE RETAIL ASSOCIATE	100
CAPARBEL	100
CARREFOUR BELGIUM	100
CARUM	100
DRIVE 1	100
DRIVE 2	100
ÉCLAIR	100
FILUNIC	100
FIMASER	100
FIRST IN FRESH	100
GROSFRUIT	100
HALLE RETAIL ASSOCIATE	100
HEPPEN RETAIL ASSOCIATE	100
INTERDIS	100
MARKET A1 CBRA	100
MARKET B2 CBRA	100
MARKET C3 CBRA	100
MARKET D4 CBRA	100
MARKET E5 CBRA	100
MARKET F6 CBRA	100
ORTHROS	100
RETAIL SUPPORT SERVICES	100
ROB	100
SCHILCO	100
SHIP TO	100
SOUTH MED INVESTMENTS	100
STIGAM	100
VANDEN MEERSSCHE NV	100

BRAZIL	Percent interest used in consolidation
ATACADÃO S.A	67
BANCO CSF	34
BARBAROSSA EMPREENDIMENTOS E PARTCIPACOES	67
BOMPRECO BAHIA	67
BOMPRECO NORDESTE	67
BSF HOLDING	34
BULGE EMPREENDIMENTOS E PARTICIPACOES	67
CARREFOUR COMMERCIO E INDUSTRIA	67
CARREFOUR UNLIMITAIL PUBLICIDADE	67
CCI IP PARTICIPACOES	67
CCI RE SPCO DESENVOLMENTO IMOBILIARIO OSASCO	67
CMBCI INVESTIMENTOS E PARTICIPAÇÕES	67
COMERCIAL DE ALIMENTOS CARREFOUR	67
COSMOPOLITANO SHOPPING EMPREENDIMENTOS	67
COTABEST INFORMACOES E TECNOLOGIA	34
CSF ADMINISTRADORA E CORRETORA DE SEGUROS EIRELI	34
E MIDIA INFORMACOES	67
GIBRALTAR EMPREENDIMENTOS E PARTICIPACOES	67
GRUPO BIG	67
IMOPAR PARTICIPCOES E ADMINISTRACAO IMOBILIARIA	67
KHARKOV EMPREENDIMENTOS E PARTICIPACOES	67
KURSK EMPREENDIMENTOS E PARTICIPACOES	67
MIDWAY EMPREENDIMENTOS E PARTICIPACOES	67
NOVA TROPI GESTAO DE EMPREENDIMENTOS	67
OVERLORD EMPREENDIMENTOS E PARTICIPACOES	67
PACIFICO EMPREENDIMENTOS E PARTICIPACOES	67
PANDORA PARTICIPACOES	67
RIO BONITO ASSESSORIA DE NEGOCIOS	67
SPE CENTRO-OESTE	67
SPE NORDESTE	67

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BRAZIL	Percent interest used in consolidation
SPE NORTE	67
SPE SUDESTE	67
SPE SUL	67
STALINGRADO EMPREENDIMENTOS E PARTICIPACOES	67
TORCH EMPREENDIMENTOS E PARTICIPACOES	67
TRANSPORTADORA	67
VALQUIRIA EMPREENDIMENTOS E PARTICIPACOES	67
VERPARINVEST	67
WMB	67
WMS	67

CHINA	Percent interest used in consolidation
SHANGHAI GLOBAL SOURCING CONSULTING CO	100

SPAIN	Percent interest used in consolidation
CARREFOUR PROPERTY ESPANA	100
CENTROS COMERCIALES CARREFOUR	100
CORREDURIA DE SEGUROS CARREFOUR	100
EURECA	100
FINANZAS Y SEGUROS	100
GROUP SUPECO MAXOR	100
INVERSIONES PRYCA	100
NORFIN HOLDER	100
SERVICIOS FINANCIEROS CARREFOUR	60
SOCIEDAD DE AGENCIA DE SEGUROS VINCULADA CARREFOUR	100
SOCIEDAD DE COMPRAS MODERNAS	100
SUPERDISTRIBUCION CEUTA	100
SUPERMERCADOS CHAMPION	100
SUPERSOL SPAIN	100
VIAJES CARREFOUR	100

HONG KONG	Percent interest used in consolidation
CARREFOUR ASIA	100
CARREFOUR GLOBAL SOURCING ASIA	100
CARREFOUR TRADING ASIA (CTA)	100

ITALY	Percent interest used in consolidation
CARREFOUR ITALIA FINANCE SRL	100
CARREFOUR ITALIA SPA	100
CARREFOUR PROPERTY ITALIA SRL	100
CONSORZIO TRA I PROPRIETARI DEL CENTRO COMMERCIALE DI BUROLO	89
CONSORZIO TRA I PROPRIETARI DEL CENTRO COMMERCIALE DI GUISSANO	77
CONSORZIO TRA I PROPRIETARI DEL CENTRO COMMERCIALE DI MASSA	54
CONSORZIO TRA I PROPRIETARI DEL CENTRO COMMERCIALE DI NICHELINO	64
CONSORZIO TRA I PROPRIETARI DEL CENTRO COMMERCIALE DI PADERNO DUGNANO	53
CONSORZIO PROPRIETARI CENTRO COMMERCIALE DI TORINO MONTECUCCO	87
CONSORZIO PROPRIETARI CENTRO COMMERCIALE DI VERCELLI	84
GS SPA	100

LUXEMBOURG	Percent interest used in consolidation
VELASQUEZ	100

NETHERLANDS	Percent interest used in consolidation
CARREFOUR NEDERLAND BV	100
HYPER GERMANY BV	100
INTERNATIONAL MERCHANDISE TRADING BV	100

POLAND	Percent interest used in consolidation
CARREFOUR POLSKA	100
CPA WAW 1	100

ROMANIA	Percent interest used in consolidation
ALLIB ROM SRL	100
ARTIMA SA	100
BRINGO MAGAZIN	100
CARREFOUR PRODUCTIE SI DISTRIBUTIE	100
CARREFOUR ROUMANIE	100

ROMANIA	Percent interest used in consolidation
COLUMBUS ACTIVE SRL	100
COLUMBUS OPERATIONAL SRL	100
MILITARI GALERIE COMERCIALA	100
ROMANIA HYPERMARCHE SA	100
SUPECO INVESTMENT SRL	100

SWITZERLAND	Percent interest used in consolidation
CARREFOUR WORLD TRADE	100

18.2 Equity-accounted companies at December 31, 2023

FRANCE	Percent interest used in consolidation
ADIALEA	3
ALEXANDRE	50
ALK DISTRI	50
ALTACAR NANTES	40
ALTACAR SARTROUVILLE	40
ANGIDIS	50
ANTONINE	50
ARLOM DISTRIBUTION	50
AROBLIS	50
AUBINYC	50
AUDIST	50
BAMAZO	50
BELONDIS	50
BIADIS	34
BFM DISTRIBUTION	50
BLS RETRAIL	50
BOULOGNE POINT DU JOUR	26
BOURG SERVICES DISTRIBUTION	50
CABDIS	50
CABDISTRI	50
CALODIAN DISTRIBUTION	50
CAMPI	50
CARDUTOT	26
CARMILA	36
CEMALIYA IMMOBILIER	50
CENTRALE ENVERGURE	50
CERBEL	50
CEVIDIS	50
CHAMNORD	56
CHERBOURG INVEST	48
CHRISTIA	50
CINQDIS 09	50
CLOVIS	50
CLUNYDIS	50
CODINOG	50
COJEDIS	50
COROU	50

FRANCE	Percent interest used in consolidation
COSALCIA	50
CVP DISTRIBUTION	50
CYMUR	50
CZIMMO	50
D2C	50
DECODIS	26
DÉPÔT PÉTROLIER DE LYON	50
DIMATI	50
DIRIC	50
DISTRI AIX	50
DISTRI GIGNAC	50
DISTRI PALAVAS	50
DISTRIBERRE IMMO	50
DISTRIBOURG	50
DISTRICAB	50
DISTRIFLEURY	50
DISTRIONE	50
DOLMEN	50
DOUDIS	50
ECUDIS	50
EDENDIS	50
EDENMATHIMMO	50
ENTREPÔT PÉTROLIER DE VALENCIENNES	34
FABCORJO	50
FALME	50
FAMYDIS	50
FIVER	50
FONCIÈRE BORDEROUGE	50
FONCIÈRE MARSEILLAN	50
FONCIÈRE PLANES	50
FRELUM	50
GALLDIS	50
GAMAX33	50
GDCLE	48
GENIDIS	48
GGP DISTRIBUTION	50
GMARKET IMMO	50

FRANCE	Percent interest used in consolidation
GRANDI	50
GRDIS	50
GREGADIS	50
HBLP	25
IDEC	50
IMMO ST PIERRE ÉGLISE	50
J2B DISTRIBUTION	50
JEDEMA	50
JLEM	50
JMS74 DISTRIBUTION	50
JOSIM	34
JTDS MARKET	50
JUPILOU	50
KASAM	50
KARAMONTDE	50
LA BEAUMETTE	49
LA CATALANE DE DISTRIBUTION	50
LA CLAIRETTE	50
LA CRAUDIS	50
LA GARDUERE IMMO	50
LB LE PLAN	50
LE CLAUZELS	50
LEHENBERRI	50
LES 4 CANAUX IMMO	50
LES OLIVIERS	50
LEZIDIS	50
LOVICHAM	50
LSODIS	50
LYEMMADIS	50
MACANOSA	50
MADIS	50
MADIX	50
MAGODIS	50
MALISSOL	50
MARIDYS	50
MARITIMA DIS	50
MARLODIS	50
MASSEINE	50
MATCH OPCO (MARKET PAY)	35

FRANCE	Percent interest used in consolidation
MAVIC	50
MBD	50
MBD IMMO	50
MIMALI	50
MEJE DISTRIBUTION	50
NCL	50
NOUKAT	50
OLICOURS	50
OUISDIS	50
OULLIDIS	50
P.A.M.	50
PAS DE MENC	50
PFDIS	50
PHILODIS	50
PLAMIDIS	50
PLANE MARSEILLAN	50
PLANE PORT VENDRES	50
PONT D'ALLIER	50
PRIGONDIS	50
PRODIX	50
PROVENCIA	50
QUENDIDIS	50
RD2M	50
REBAIS DISTRIBUTION	50
RETAIL MARKET	50
RILLIDIS	48
RIMADIS	50
ROJULDIS	50
ROLLAND DISTRIBUTION	50
ROND POINT	50
ROSE BERGER	26
ROUET DISTRI	50
S.C.B	26
S.O.V.A.L.A.C.	50
SADEV	26
SAELI	50
SAINT JUERY DISTRIBUTION	50
SAINT PAUL DISTRIBUTION	50
SAS DF19	50

FRANCE	Percent interest used in consolidation
SAS NC DISTRIBUTION	50
SCGR DISTRIBUTION	50
SCI 2C	50
SCI 2F	50
SCI BRETEUIL	50
SCI CARGAN-LOG	40
SCI COLODOR	50
SCI DU MOULIN	50
SCI DU PARC NATIONAL	50
SCI FONCIÈRE DES ALBERES	50
SCI HALLE RASPAIL	50
SCI IMMODISC	50
SCI LATOUR	60
SCI LE PETIT BAILLY	50
SCI LE PLA	50
SCI LUMIMMO	51
SCI MARKET RIEC	50
SCOMONDIS	50
SEREDIS	26
SERPRO	50
SIFO	50
SIXFOURSDIS	50
SOBRAMIC	50
SOCADIS	50
SOCIÉTÉ DES DÉPÔTS DE PÉTROLE CÔTIERS	24
SOCIÉTÉ DES MAGASINS ÉCONOMIQUES	50
SOCIÉTÉ DISTRIBUTION ALMENTAIRE PYRÉNÉES	26
SOCIÉTÉ DU DÉPÔT PÉTROLIER DE NANTERRE	20
SOCIÉTÉ PÉTROLIÈRE DU VAL DE MARNE	30
SODIBAL	50
SODIBOR	50
SODICAB	50
SODIFAL	50
SODILIM	50
SODIMER	50
SODIOUIS	50
SODITIOL	50
SODYEN	50

FRANCE	Percent interest used in consolidation
SOLDIS	50
SOMADIS	50
SOQUIMDIS	50
SOROTIN	50
SOVADIS	50
SOVALDIS	50
SPC DISTRI	50
SR2G	50
SRP GROUPE SA (SHOWROOMPRIVE.COM)	9
ST BONNET DISCOUNT	50
TEDALI	50
TURENNE	50
VALCRIS DISTRIBUTION	50
VALMENDIS	50
VICTURIS 2003	50
VICUN	50
VILAC	50
YOUN MARKET	50

BRAZIL	Percent interest used in consolidation
EWALLY	33

SPAIN	Percent interest used in consolidation
2012 ALVARO EFREN JIMENEZ	26
2012 CORDOBA RODRIGUEZ	26
2012 ERIK DAVID	26
2012 FLORES HERNANDEZ	26
2012 LIZANDA TORTAJADA	26
2013 CID OTERO	26
2013 SOBAS ROMERO	26
COSTASOL DE HIPERMERCADOS	34
DIAGONAL PARKING	58
GLORIAS PARKING	50
ILITURGITANA DE HIPERMERCADOS	34
JM MARMOL SUPERMERCADOS	26
LAREDO EXPRESS J.CARLOS VAZQUEZ	26
LUHERVASAN	26

SPAIN	Percent interest used in consolidation
SUPERMERCATS HERGERVIC MATARO	26
SUPERMERCATS SAGRADA FAMILIA	26

ITALY	Percent interest used in consolidation
CONSORZIO PROPRIETARI CENTRO COMMERCIALE SHOPVILLE GRAN RENO	39
CONSORZIO PROPRIETARI CENTRO COMMERCIALE ASSAGO	50
CONSORZIO TRA I PROPRIETARI DEL PARCO COMMERCIALE DI NICHELINO	30

POLAND	Percent interest used in consolidation
C SERVICES	30

TUNISIA	Percent interest used in consolidation
ULYSSE	25

TURKEY	Percent interest used in consolidation
CARREFOUR SABANCI TICARET MERKEZI (CARREFOURSA)	32

6.7 Statutory Auditors' report on the consolidated financial statements

For the year ended December 31, 2023

To the Shareholders' Meeting of Carrefour S.A.,

Opinion

In compliance with the engagement entrusted to us by the Shareholders' Meeting, we have audited the accompanying consolidated financial statements of Carrefour S.A. for the year ended December 31, 2023.

In our opinion, the consolidated financial statements give a true and fair view of the assets and liabilities and of the financial position of the Group as of December 31, 2023 and of the results of its operations for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the *Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements* section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of the French Commercial Code (*code de commerce*) and the French Code of ethics (*code de déontologie*) for statutory auditors, for the period from January 1, 2023 to the date of our report and specifically we did not provide any prohibited non-audit services referred to in Article 5 (1) of Regulation (EU) No 537/2014.

Justification of Assessments - Key Audit Matters

In accordance with the requirements of Articles L. 821-53 and R. 821-180 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the consolidated financial statements as a whole, approved in the conditions mentioned above, and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the consolidated financial statements.

Tax provisions of Brazilian subsidiaries: estimation of provisions, tax payables and contingent liabilities

(See notes 1.4, 11.1, 11.2.1 and 11.3 to the consolidated financial statements)

Key Audit Matter	Response as part of our audit
In Brazil, the Group is involved in tax risks, in particular, on the tax on the distribution of goods and services (ICMS) and to the corresponding tax credits recorded, on the federal contributions related to the social integration programme and to the financing of the social security system (Pis-Cofins) and on the tax amortization of goodwill recognised in 2007 in the context of the acquisition of Atacadão. The assessment of the risk related to each tax litigation is regularly reviewed by the tax departments of the Brazilian subsidiaries, with the support of its external counsels for the most significant tax litigations in order to determine the need of recording a provision or not, and in the case where a provision should be recorded, to estimate the amount of the provision. We considered the tax risk of the Brazilian subsidiaries, for both the estimation of the provisions and the information disclosed in the financial statement as a key audit matter due to the amount and the number of tax risks, to the complexity and the level of management judgment in the assessment of the ongoing litigations and the amount of the provision to be booked.	We have reviewed the internal controls implemented by the Group to identify tax risks in the Brazilian subsidiaries (identification of risks, documentation of risk assessment, engagement of external experts). We also performed the following procedures, with the assistance of our tax experts: ■ Interviews with the tax department of the Brazilian subsidiaries in order to assess the current status of the identified risks and ongoing litigations; ■ Review the opinions of the external counsels of the entities of the Group, including the responses to our written confirmation requests; ■ Analysis of the estimates and positions adopted by management to determine the need to record a provision and, where this is necessary, to assess reasonable assurance on the amount of provision to be recorded; ■ Assessment of the information disclosed in the notes 11.1, 11.2.1 et 11.3 to the consolidated financial statements.

Measurement and recognition of rebates and service agreement
(See notes 1.4 and 6.2.1 to the consolidated financial statements)

Key Audit Matter	Response as part of our audit
The Group enters into a significant number of purchase agreements with suppliers which include: ■ Commercial discounts based on the purchase volumes or on other contractual terms such as the achievement of threshold or the increase of purchase volumes (« rebates »); ■ Revenues from services provided to suppliers by the Group (« service agreements »). Rebates and service agreements received from suppliers by the Group are estimated based on the contractual terms agreed in the purchase agreement with suppliers and are recorded as a reduction of cost of sales. Given the significant number of agreements and the specificities of each agreement, the correct measurement and recognition of rebates and service agreements in accordance with the contractual terms and the purchases volumes represent a key audit matter.	We have obtained an understanding on the internal controls implemented by the Group on the measurement and the recognition of rebates and service agreements. We assessed their design and implementation and we tested their effectiveness through a sample of agreements. Our other procedures consisted mainly, for a sample of rebates and service agreements of: ■ Matching the data used for the calculations of rebates and service agreements with the commercial conditions mentioned in the contracts signed with the suppliers; ■ Comparing last year's estimates with actual figures in order to assess the reliability of the rebates and service agreement measurement's process (review of the release of prior year's rebates); ■ Matching business volumes used for the calculation of the expected rebates and service agreements for the year ended December 31, 2023 with business volumes recorded in the Group's procurement system; ■ Performing substantive analytical procedures on the change in rebates and service agreements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by laws and regulations of the information presented in the Group management report.

We have no matters to report as to its fair presentation and its consistency with the consolidated financial statements.

We attest that the consolidated declaration of extra-financial performance, required under Article L. 225-102-1 of the French Commercial Code, is included in the Group management report, being specified that, in accordance with the provisions of Article L. 823-10 of this Code, we have not verified the fair presentation and the consistency with the consolidated financial statements of the information provided in this declaration. A report will be issued on this information by an independent third party.

Report on Other Legal and Regulatory Requirements

Format of presentation of the consolidated financial statements intended to be included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format defined in the European Delegated Regulation No 2019/815 of 17 December 2018, that the presentation of the financial statements intended to be included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code , prepared under the responsibility of the Chairman and Chief Executive Officer. Our work includes verifying that the tagging of these consolidated financial statements complies with the format defined in the above delegated regulation.

Based on the work we have performed, we conclude that the presentation of the financial statements intended to be included in the annual financial report complies, in all material respects, with the European single electronic format.

Due to the technical limitations inherent to the block-tagging of the consolidated financial statements according to the European single electronic format, the content of certain tags of the notes may not be rendered identically to the accompanying consolidated financial statements.

Moreover, we have no responsibility to verify that the consolidated financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Carrefour S.A. by the Shareholders' Meetings held on April 15, 2003 for Deloitte & Associés, and on June 21, 2011 for Mazars.

As at December 31, 2023, Deloitte & Associés, and Mazars were in the 21st year and 13th year of total uninterrupted engagement.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The consolidated financial statements were approved by the Board of Directors

Statutory Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Objectives and audit approach

Our role is to issue a report on the consolidated financial statements. Our objective is to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As specified in Article L. 821-55 of the French Commercial Code (*code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the affairs of the Company.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the consolidated financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the consolidated financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the consolidated financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtains sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. The statutory auditor is responsible for the direction, supervision and performance of the audit of the consolidated financial statements and for the opinion expressed on these consolidated financial statements.

Report to the Audit Committee

We submit to the Audit Committee a report which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period and which are therefore the key audit matters, that we are required to describe in this audit report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) N° 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (*code de commerce*) and in the French Code of Ethics (*code de déontologie*) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Courbevoie and Paris-La Défense, March 4, 2024

The Statutory Auditors

French original signed by

Mazars		**Deloitte & Associés**	
Jérôme de PASTORS	Marc BIASIBETTI	Bertrand BOISSELIER	Olivier BROISSAND

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CARREFOUR SA FINANCIAL STATEMENTS AS OF DECEMBER 31, 2023

7.1 Income statement

(in millions of euros)	Note	2023	2022
Reversals of impairment and provisions, and transferred charges		9	7
Other income		182	148
Total operating income		**191**	**155**
Other purchases and external charges		(231)	(204)
Wages and salaries, payroll taxes		(32)	(28)
Depreciation, amortisation, impairment and provisions		(9)	(9)
Taxes other than on income, other operating expenses		(1)	(3)
Total operating expenses		**(273)**	**(244)**
Operating loss		**(81)**	**(89)**
Income from shares in subsidiaries and affiliates		1346	1,325
Interest receivable and related income		139	18
Reversals of impairment and provisions		105	280
Total financial income		**1,590**	**1,623**
Impairment and provision expense		(98)	(1,602)
Interest and other financial expenses		(177)	(114)
Total financial expenses		**(275)**	**(1,716)**
Financial income, net	**8.**	**1,314**	**(93)**
Recurring income before tax, net		**1,233**	**(182)**
Reversals of impairment and provisions		15	14
Depreciation, amortisation, impairment and provisions		-	-
Other non-recurring income and expenses		(11)	16
Non-recurring income, net		**4**	**30**
Employee profit-sharing		**-**	**-**
Income tax	**9.**	**546**	**375**
NET INCOME		**1,783**	**223**

7.2 Balance sheet

ASSETS

(in millions of euros)	Note	December 31, 2023 Gross	December 31, 2023 Amortisation, depreciation and impairment	December 31, 2023 Net	December 31, 2022 Net
Intangible assets	4.2	19	(19)	0	0
Property and equipment	4.2	2	(2)	0	0
Financial investments	4.1	37,591	(9,097)	28,494	28,339
Fixed assets		**37,612**	**(9,117)**	**28,494**	**28,339**
Accounts receivable	10.1	2,798	(0)	2,798	2,064
Cash and marketable securities	5.2	99	(18)	80	185
Current assets		**2,897**	**(18)**	**2,878**	**2,249**
Prepayments and deferred charges	10.1	106	-	106	159
TOTAL ASSETS		**40,615**	**(9,136)**	**31,479**	**30,747**

LIABILITIES

(in millions of euros)	Note	December 31, 2023	December 31, 2022
Share capital	7.1	1,772	1,855
Issue and merger premiums	7.2	15,493	16,017
Legal reserve	7.3	204	204
Regulated reserves	7.3	378	378
Other reserves	7.3	39	39
Retained earnings	7.3	2,543	2,725
Net income for the year	7.3	1,783	223
Tax-driven provisions		-	-
Shareholders' equity	**7.3**	**22,212**	**21,441**
Provision for contingencies and charges	**6**	**202**	**115**
Bonds and notes		7,594	7,323
Bank borrowings		122	490
Miscellaneous financial liabilities		0	0
Financial liabilities	**5.1**	**7,716**	**7,813**
Trade payables		11	10
Accrued taxes and payroll costs	10.2	311	254
Operating liabilities		**322**	**264**
Other miscellaneous liabilities	10.2	1,027	1,114
Miscellaneous liabilities		**1,027**	**1,114**
TOTAL EQUITY AND LIABILITIES		**31,479**	**30,747**

7.3 Statement of cash flows

(in millions of euros)	2023	2022
Net income	**1,783**	**223**
Depreciation and amortisation	1	1
Provisions and impairment of financial assets, net of reversals	(24)	1,309
Other changes	40	(63)
Cash flow from operations	**1,800**	**1,470**
Change in other receivables and payables	(215)	(94)
Net cash from operating activities	**1,586**	**1,376**
Acquisitions of shares in subsidiaries and affiliates	(30)	(45)
Disposals of shares in subsidiaries and affiliates	151	2
Change in other financial investments(1)	-	(6)
Other cash flows from investing activities(2)	-	-
Net cash from (used in) investing activities	**121**	**(48)**
Dividends paid	(405)	(380)
Share capital reduction/increase	(725)	(655)
Net change in debt	(97)	1,900
Change in intra-group receivables and payables	(480)	(2,193)
Net cash used in financing activities	**(1,707)**	**(1,328)**
Net change in cash and cash equivalents	**0**	**0**
Cash and cash equivalents at the beginning of the year(1)	0	0
Cash and cash equivalents at the end of the year(1)	0	0
Net change in cash and cash equivalents	**-**	**-**

(1) Excluding treasury shares (in the process of being cancelled recorded in assets, under financial investments).
(2) Excluding treasury shares (recorded in assets, under marketable securities).

7.4 Notes to the Company financial statements

NOTE 1 DESCRIPTION OF THE COMPANY

Carrefour SA is the parent company of the Carrefour group.

It acts as a holding company through investments conferring direct or indirect control over Group entities.

Carrefour SA is the head of a tax consolidation group comprising the parent company and the major French subsidiaries.

It also conducts an external financing policy on behalf of the Group on the banking and capital markets, designed to maintain an appropriate level of liquidity and meet its commitments and investment requirements.

NOTE 2 SIGNIFICANT EVENTS OF THE YEAR

2.1 Capital increase following the employee share ownership programme

On March 1, 2023, the Carrefour group launched Carrefour Invest, an international employee share ownership plan. As part of the offer, beneficiaries subscribed to Carrefour shares either directly or through a Company mutual fund (FCPE), depending on the option chosen and/or their country of residence.

The operation resulted in a Carrefour SA capital increase of 75 million euros (4,713,735 new ordinary shares), including 12 million euros in capital and 63 million euros in issue premiums.

2.2 Share buyback programmes

As part of its share capital allocation policy, the Company commissioned several investment services providers to buy back shares corresponding to a maximum amount of 800 million euros, as authorised by the Shareholders' Meetings of June 3, 2022 and May 26, 2023:

- the first tranche of the share buyback programme began on February 27, 2023 and ended on March 31, 2023, with 11,099,084 shares acquired at an average price of 18.02 euros per share for a total amount of 200 million euros.
- a second tranche of the share buyback programme began on May 2, 2023 and ended on July 21, 2023, with 11,687,580 shares acquired at an average price of 17.11 euros per share for a total amount of 200 million euros.
- a third tranche of the share buyback programme began on August 1, 2023 and ended on September 12, 2023, with 11,370,337 shares acquired at an average price of 17.59 euros per share for a total amount of 200 million euros.
- a fourth and final tranche of the share buyback programme began on October 2, 2023 and ended on November 30, 2023, with 12,040,843 shares acquired at an average price of 16.61 euros per share for a total amount of 200 million euros.

2.3 Capital reductions

Following the share buybacks under the above-mentioned buyback programme, Carrefour SA carried out two capital reductions by cancelling the shares bought back:

- an initial capital reduction in July 2023 involving the cancellation of 26,887,362 shares;
- a second capital reduction in October 2023 involving the cancellation of 11,193,018 shares.

Following cancellation of these shares, the share capital was reduced by 95.2 million euros and premiums were reduced by 586.8 million euros. Carrefour SA therefore has 708,790,816 shares outstanding and, consequently, 17,609,525 treasury shares, representing approximately 2.5% of the share capital.

2.4 Financing transactions

In 2023, Carrefour SA carried out two Sustainability-Linked Bond issues:

- a 500 million euro issue on May 2, 2023, maturing in seven and a half years (due in October 2030) and paying a coupon of 3.75%;
- a 750 million euro issue on November 7, 2023, maturing in eight years (due in November 2031) and paying a coupon of 4.375%.

In addition, on June 12, 2023, Carrefour SA redeemed 500 million euros' worth of 0.88% five-year bonds. On June 14, 2023, Carrefour SA subsequently redeemed 500 million dollars' worth of convertible, non-dilutive 0% six-year bonds.

1 2 3 4 5 6 7 8 9

NOTE 3 ACCOUNTING PRINCIPLES

3.1 Basis of preparation

The financial statements of the Company have been prepared and are presented in accordance with the principles and policies defined in *Autorité des normes comptables* (ANC) Regulation 2014-03, approved by government order of September 8, 2014 and amended by all subsequently published Regulations.

The Carrefour SA financial statements are presented in millions of euros, rounded to the nearest million. As a result, there may be rounding differences between the amounts reported in the various statements.

Assets and liabilities are measured according to the historical cost convention.

There were no changes in measurement or presentation methods in 2023 compared with the previous year.

The preparation of financial statements involves the use of management estimates and assumptions that may affect the reported amounts of certain assets, liabilities, income and expenses. Due to the uncertainty inherent in any measurement process, amounts reported in future financial statements may differ from the currently estimated values.

3.2 Foreign currency translation

Income and expenses recorded in foreign currencies are translated at the exchange rate in force on the transaction date.

Receivables and payables denominated in foreign currency are recorded in the balance sheet at the closing exchange rate. The difference arising from the application of the year-end rate is recorded in the balance sheet under "Prepayments and deferred charges" or "Accruals and deferred revenue". A provision is set aside for the extent of unrealised losses at the reporting date.

NOTE 4 FIXED ASSETS

4.1 Financial investments

4.1.1 Accounting treatment and measurement

Financial investments consist of shares in subsidiaries and affiliates (including any allocated merger deficits), loans and advances to subsidiaries and affiliates and other financial assets.

Shares in subsidiaries and affiliates are stated at cost.

At January 1, 2016, on the first-time application of ANC Regulation 2015-06, merger deficits resulting mainly from the merger of Carrefour-Promodès in 2000 were allocated to the investments in Carrefour France, Norfin Holder, Caparbel, Carrefour Nederland BV and Hyparlo based on the respective unrealised gains as at that date.

Shares in subsidiaries and affiliates are tested for impairment at each year-end to confirm that their net carrying amount (including the net carrying amount of any allocated merger deficits) does not exceed their value in use.

Value in use is estimated based on a range of criteria including:

- the Company's interest in the investee's net assets;
- projected future cash flows from the investment;
- a fair value measurement of the net assets based on reasonable business projections or observable data if they exist (multiples of net sales and/or income statement aggregates for recent transactions, offers received from buyers, stock market multiples for comparable companies) or based on analyses performed by internal or external experts, adjusted where applicable for net debt.

An impairment loss is recorded when the net carrying amount (including, where applicable, the net carrying amount of any allocated merger deficit) exceeds value in use.

Impairment losses are recorded in net financial expense, along with amounts written off on disposal of the interests concerned. Gains and losses on disposal of shares in subsidiaries and affiliates are recorded in non-recurring income or expenses.

4.1.2 Changes in ownership interests over the year

(in millions of euros)	Shares in subsidiaries and affiliates	Deficits allocated to shares in subsidiaries and affiliates	Other financial assets[3]	Financial assets, net in 2023	Financial assets, net in 2022
Gross amount at January 1	**26,086**	**11,407**	**6**	**37,499**	**37,451**
Capital increases and acquisitions	30		800	830	50
Capital reductions and disposals/ liquidations[1]	(151)		(587)	(738)	(2)
Gross amount at December 31 (A)	**25,965**	**11,407**	**218**	**37,591**	**37,499**
Impairment at January 1	**(2,885)**	**(6,276)**	**0**	**(9,160)**	**(7,870)**
Increases[2]	(1)			(1)	(1,569)
Reversals[2]	64			64	279
Accumulated impairment at December 31 (B)	**(2,821)**	**(6,276)**	**0**	**(9,097)**	**(9,160)**
NET TOTAL (A) - (B)	**23,144**	**5,131**	**218**	**28,494**	**28,339**

(1) The "Capital reductions & disposals" line under investments corresponds mainly to the €150 million reduction in the capital of the Belgian entity Caparbel.

(2) Reversals of impairments of shares in subsidiaries and affiliates for 2023 mainly concerned Italy and the French entity Guyenne & Gascogne. Details of allocated shares in subsidiaries and deficits are presented in Note 12.

(3) Other financial assets mainly comprise treasury shares acquired with a view to their future cancellation. At December 31, 2023, this item includes 12,802,839 treasury shares in the process of being cancelled for a total of €213 million.

4.1.3 Carrefour France SAS

At December 31, 2023, the net carrying amount of the shares in Carrefour France SAS including the allocated merger deficit amounted to 5,224 million euros.

The tests performed as at December 31, 2023 on the deficit allocated to the Carrefour France shares did not indicate the need to recognise an additional impairment loss or a reversal of impairment recognised in 2017 and 2022.

Value in use is estimated based on the sum of discounted future cash flows for a period of four years, plus a terminal value calculated by projecting data for the final year using a perpetuity growth rate. A specific discount rate by country is used for the calculation. Future cash flows used in the impairment tests were estimated based on financial projections prepared by country-level Executive Management teams and approved by the Group's Executive Management.

The main financial assumptions used for the purposes of discounting Carrefour France SAS's future cash flows were a post-tax discount rate of 7% (6.3% in 2022), and a perpetuity growth rate of 1.6% (1.6% also in 2022).

4.2 Tangible and intangible fixed assets

Tangible fixed assets are stated at cost, corresponding to the purchase price and ancillary expenses.

Intangible fixed assets are mainly composed of software, stated at acquisition cost.

Intangible fixed assets are amortised and tangible fixed assets are depreciated over their estimated useful lives, as follows:

- software: 3 to 8 years;
- computer equipment: 3 years;
- building fixtures and fittings: 8 years;
- other: 3 to 10 years.

If the net carrying amount of a tangible or intangible fixed asset is not expected to be recovered through the future economic benefits generated by the asset, an impairment loss is recognised for the difference between its carrying amount and the higher of value in use and fair value.

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Movements in tangible and intangible fixed assets in 2023 were as follows:

(in millions of euros)	Intangible fixed assets	Tangible fixed assets	Total in 2023	Total in 2022
Gross amount at January 1	**19**	**2**	**21**	**21**
Acquisitions	-	-	-	-
Disposals and scrap	-	-	-	-
Gross amount at December 31 (A)	**19**	**2**	**21**	**21**
Depreciation, amortisation and impairment at January 1	**(18)**	**(2)**	**(20)**	**(20)**
Depreciation/amortisation for the year	(1)		(1)	(1)
Disposals and scrap			-	-
Depreciation, amortisation and impairment at December 31 (B)	**(19)**	**(2)**	**(21)**	**(21)**
NET TOTAL (A) - (B)	**0**	**0**	**0**	**1**

NOTE 5 FINANCING AND RISK MANAGEMENT

5.1 Borrowings

At December 31, 2023, borrowings broke down as follows:

	December 31, 2023				December 31, 2022
(in millions of euros)	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years	Total	Total
Bonds and notes	1,202	4,350	2,000	7,552	7,288
Accrued interest	41	-		41	35
Commercial paper	122			122	490
FINANCIAL LIABILITIES	**1,366**	**4,350**	**2,000**	**7716**	**7,813**

Changes in bonds and notes in 2023 are set out below:

(in millions of euros)	December 31, 2022	Issues	Repayments	Translation adjustments	December 31, 2023
Non-dilutive convertible bonds, USD 500 million, 6 years, 0%	469		(469)(2)		-
EMTN, EUR, 8 years, 0.750%	750				750
EMTN, EUR, 10 years, 1.25%	750				750
Non-dilutive convertible bonds, USD, 6 years, 0%	469			(16)	452
EMTN, EUR, 5 years, 0.88%	500		(500)(1)		-
EMTN, EUR, 7.5 years, 1.75%	500				500
EMTN, EUR, 8 years, 1.00%	500				500
EMTN, EUR, 7 years, 2.625%	1,000				1,000
EMTN, EUR, 4 years, 1.875%	750				750
EMTN, EUR, 7 years, 2.375%	750				750
EMTN, EUR, 6 years, 4.125%	500				500
EMTN, EUR, 6 years, 4.125%	350				350
EMTN, EUR, 7 years, 3.75%		500(3)			500
EMTN, EUR, 8 years, 4.375%		750(3)			750
Total bonds and notes	**7,288**	**1,250(3)**	**(969)**	**(16)**	**7,552**

(1) On June 12, 2023, the Group redeemed 500 million euros' worth of 0.88% five-year bonds.
(2) On June 14, 2023, the Group redeemed 500 million US dollars' worth of convertible, non-dilutive 0% six-year bonds.
(3) Two bond issues were carried out in 2023, the first on May 2, 2023 for a total of 500 million euros, the second on November 7, 2023 for an amount of 750 million euros.

5.2 Cash and marketable securities

(in millions of euros)	December 31, 2023 Gross	Impairment	Net	December 31, 2022 Net
Treasury shares allocated to specific plans[1]	40		40	33
Available treasury shares[2]	58	(18)	40	152
Cash and cash equivalents[3]	0		0	0
CASH AND MARKETABLE SECURITIES	**99**	**(18)**	**80**	**185**

Cash and marketable securities comprise:

(1) Carrefour shares designated as being held for allocation to employees under stock option and performance share plans. They are stated at cost (or at their net carrying amount at the reclassification date if they are reclassified from "Available treasury shares" to "Treasury shares allocated to specific plans"). They are not written down to market value because they are intended to be allocated to employees and a provision is recorded in liabilities as explained below in Note 6.1.

(2) Carrefour shares available for allocation to employees or to stabilise the share price. These shares are stated at the lower of cost and market value, corresponding to the most recent share price.

(3) Cash at bank.

The Company's treasury shares recognised within "Cash and cash equivalents" as "Available treasury shares" were not initially allocated to specific plans and were written down if their carrying amount exceeded the most recent share price.

At the end of 2023, the Company decided to use treasury shares for the 2021 free share plan, which is expected to be delivered in February 2024. The treasury shares earmarked for the plan have therefore been reclassified from "Available treasury shares" to "Treasury shares allocated to specific plans" for their net carrying amount at the reclassification date (the previously recognised impairment cannot be reversed), corresponding to 40.2 million euros (gross amount of 59.3 million euros and previously recognised impairment of 19.1 million euros). A provision for contingencies and charges in the amount of 40.2 million euros was recorded at December 31, 2023 in respect of the share delivery expected in February 2024, offset by the recognition of accrued income of 31.6 million euros corresponding to the amount to be rebilled to subsidiaries in respect of the shares that will be delivered to their employees.

At December 31, 2023, cash and marketable securities comprise 4,806,686 Carrefour shares, of which 2,426,100 shares have been allocated to specific plans and 2,380,586 shares are available, for a gross amount of 98 million euros.

(in millions of euros)	Available treasury shares: Number of shares	Gross value	Impair-ment	Net value	Treasury shares allocated to specific plans: Number of shares	Gross value	Impair-ment	Net value
Amount at January 1, 2023	**9,439,365**	**216**	**(64)**	**152**	**2,105,505**	**33**	**-**	**33**
Reclassification to treasury shares allocated to specific plans	(2,426,100)	(63)	23	(40)	2,426,100	40		40
Delivery of shares under the 2020 LTI plan					(2,046,409)	(32)		(32)
Reclassification to available treasury shares	52,696	1		1	(52,696)	(1)		(1)
Delivery of treasury shares to heirs of deceased beneficiaries under the 2020 and 2021 LTI plans					(6,400)	(0)		(0)
Reclassification of treasury shares	(4,685,375)	(95)		(95)				
Net charge to/reversal of impairment of available treasury shares			23	23				
AMOUNT AT DECEMBER 31, 2023	**2,380,586**	**58**	**(18)**	**40**	**2,426,100**	**40**	**-**	**40**

Carrefour shares held at December 31, 2023 and allocated to specific plans are measured based on the latest known quoted price, i.e., 16.57 euros.

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Movements in treasury shares classified as marketable securities in 2023 were as follows:

(in millions of euros)	Number of shares	Gross value of marketable securities	Impairment of marketable securities	Net value of marketable securities	Provisions for performance share plans
Amount at December 31, 2022	**11,544,870**	**249**	**(64)**	**185**	**(33)**
Delivery of performance shares allocated to specific plans	(2,052,809)	(32)		(32)	
Cancellation of treasury shares	(4,685,375)	(95)		(95)	
Reclassification of available treasury shares to treasury shares allocated to specific plans		(23)	23		
Reversals of provisions for performance shares allocated to specific plans					33
Additions to provisions for performance shares allocated to specific plans					(40)
Impairment of shares not yet allocated to specific plans			23	23	
AMOUNT AT DECEMBER 31, 2023	**4,806,686**	**98**	**(18)**	**80**	**(40)**

5.3 Liquidity

5.3.1 Credit facilities

At December 31, 2023, the Group had two undrawn syndicated lines of credit obtained from a pool of leading banks, for a total of 3.9 billion euros.

As a reminder, in May 2022, Carrefour exercised its option to extend its two credit facilities totalling 3.9 billion euros, from June 2025 to June 2026. This option has been applied to more than 99% of the Group's banking facilities. Group policy consists of keeping these facilities on stand-by to support the commercial paper programme.

The loan agreements for the syndicated lines of credit include the usual commitment clauses, including *pari passu*, negative pledge, change of control and cross-default clauses and a clause restricting substantial sales of assets. The pricing grid may be adjusted up or down to reflect changes in the long-term credit rating.

5.3.2 Financing programmes

Carrefour has 12 billion euros of available financing through its Euro Medium Term Notes (EMTN) programme, aimed at maintaining a presence in the debt market through regular debt issuance, mainly in euros, in order to create a balanced maturity profile.

During 2023, Carrefour SA carried out two Sustainability-Linked Bond issues:

- a 500 million euro issue on May 2, 2023, maturing in seven and a half years (due in October 2030) and paying a coupon of 3.75%;
- a 750 million euro issue on November 7, 2023, maturing in eight years (due in November 2031) and paying a coupon of 4.375%.

These bonds were issued as part of a financing strategy aligned with the Group's CSR objectives and ambitions as well as the Sustainability-Linked Bond Framework of its Euro Medium-Term Notes (EMTN) programme published in June 2021, whose CSR component was revised and enhanced in May 2022.

On June 12, 2023, Carrefour SA redeemed 500 million euros' worth of 0.88% five-year bonds. On June 14, 2023, Carrefour SA subsequently redeemed 500 million dollars' worth of convertible, non-dilutive 0% six-year bonds.

Carrefour also has a 5 billion euro commercial paper programme described in a prospectus filed with the Banque de France.

These transactions guarantee the Carrefour group's liquidity over the short- and medium-term in an unstable economic environment, and are part of the strategy to ensure the necessary financing is in place to meet Carrefour's needs. The average maturity of Carrefour SA's bond debt was 3.8 years at end-December 2023, compared with 3.6 years at end-December 2022.

5.4 Risk hedging

5.4.1 Interest rate risk

Interest rate risk is the risk of a change in interest rates leading to an increase in the Group's net borrowing costs.

Interest rate hedging is managed by Corporate Treasury and Financing. The hedging strategy and methods used to limit interest rate exposures and optimise borrowing costs are updated on a monthly basis.

Long-term borrowings are generally at fixed rates of interest and do not therefore give rise to any exposure to rising interest rates. Financial instruments are nonetheless used to hedge borrowings against the risk of changes in interest rates.

Interest rate hedging instruments are used mainly to limit the effects of changes in exchange rates on the Company's variable-rate borrowings. These are mainly basic swaps and options.

Details of derivative instruments outstanding and their carrying amounts are presented in Note 10.

5.4.2 Currency risk

Currency risk is the risk of an unfavourable change in exchange rates having an adverse effect on cash flows from transactions denominated in foreign currency.

As a holding company, Carrefour is exposed to currency risk on specific transactions (capital increases or dividend payments) with certain foreign subsidiaries whose functional currency is not the euro. Currency risk on these transactions can in certain cases be hedged by forward currency purchases.

On June 7, 2017, Carrefour issued 500 million US dollars' worth of six-year cash-settled convertible bonds (maturing in June 2023) to institutional investors. A EUR/USD cross-currency swap for 500 million US dollars with the same maturity was arranged in parallel to the bond issue in 2017. On June 14, 2023, the Group redeemed this non-dilutive convertible bond and unwound the associated swap.

On March 22, 2018, Carrefour issued another 500 million US dollars' worth of six-year cash-settled convertible bonds (maturing in March 2024). As for the 2017 bond issue, two EUR/USD cross-currency swaps for 250 million US dollars with the same maturity were arranged in parallel to the bond issue.

This operation, for which a EUR/USD cross currency swap was arranged in euros, provides the Company with the equivalent of standard euro-denominated bond financing.

5.4.3 Equity risk

Company policy is to avoid taking positions on its own shares or those of other companies, except in response to particular circumstances or needs.

The Company regularly buys back its shares on the market or purchases call options on its shares. The shares are mainly used to cover stock option and performance share plans, or with a view to cancelling them subsequently.

The equity risk associated with the conversion options embedded in the bonds issued by Carrefour SA in March 2018 is fully hedged by symmetrical options contracted with banks.

NOTE 6 PROVISIONS AND IMPAIRMENT

A provision is recorded when (i) the Company has an obligation towards a third party, (ii) the amount of the obligation can be reliably estimated, (iii) it is probable that an outflow of resources will be necessary to settle the obligation and (iv) no equivalent economic benefit is expected to be received in return.

(in millions of euros)	December 31, 2022	Increases	Reversals		Other movements	December 31, 2023
			Used	Surplus		
Obligations to deliver shares	33	40	(33)	0		40
Pension obligations	0					0
Provisions for shares in subsidiaries and affiliates[(1)]	38	97				135
Disputes and miscellaneous risks	44	9	(11)	(15)		27
Provision for contingencies and charges	**115**	**146**	**(44)**	**(15)**		**202**
On financial assets	9,160	1	(64)	0		9,097
On accounts receivable	17	0		(17)		0
On other items (marketable securities)	64			(23)	(23)	18
Impairment	**9,240**	**1**	**(64)**	**(39)**	**(23)**	**9,115**
TOTAL PROVISIONS AND IMPAIRMENT	**9,355**	**147**	**(108)**	**(54)**	**(23)**	**9,317**

(1) Impairment losses were recognised during the year to cover losses incurred by subsidiaries.

6.1 Provisions for share plans

Certain Carrefour group employees receive equity-settled share-based payments in the form of performance share and stock option plans.

Plans settled by issuing new shares

The Company does not set aside a provision for these plans, in accordance with Article 624-6 of the French General Chart of Accounts *(Plan comptable général)*.

Performance share and stock option plans settled in existing shares

At the grant date, the Company does not recognise any expense in payroll costs in respect of performance shares and stock options, but on delivery of the performance shares or exercise of the stock options.

A provision is recognised when (i) the Company decides to set up a stock option or performance share plan, (ii) the Company has an obligation to deliver existing shares to grantees and (iii) it is probable or certain that an outflow of resources will be necessary to settle the obligation without any equivalent economic benefit being received in return.

When the vesting of performance shares or stock options is explicitly subject to a service condition requiring continued presence at Carrefour for a specified future period, the provision is recognised on a straight-line basis over the vesting period.

2020 Plan

On February 26, 2020, based on the Compensation Committee's recommendation, the Board of Directors decided to use the authorisation given in the Extraordinary Shareholders' Meeting held on June 14, 2019 to grant new or existing performance shares. The plan provided for the grant of a maximum of 2,300,000 shares (excluding shares granted to the Executive Officer), representing 0.28% of the share capital.

The vesting period is three years from the date of the Board of Directors' meeting at which the rights were granted. The number of shares that vest will depend on the achievement of four performance conditions:

- two conditions linked to financial performance (recurring operating income growth for 25% and net free cash flow growth for 25%);
- a condition linked to an external performance criterion (TSR), benchmarking the Carrefour SA share price against a panel of companies in the retail sector (for 25%);
- a CSR-related condition for 25%.

In February 2023, 2,046,409 treasury shares were delivered under this plan, and the provision of (33) million euros was reversed against an expense of the same amount.

2021 Plan

On February 17, 2021, based on the Compensation Committee's recommendation, the Board of Directors decided to use the authorisation given in the Extraordinary Shareholders' Meeting held on June 14, 2019 to grant new or existing performance shares. The plan provided for the grant of a maximum of 2,664,670 shares excluding shares granted to the Executive Officer (representing 0.33% of the share capital). The shares will vest subject to a service condition and several performance conditions.

The vesting period is three years from the date of the Board of Directors' meeting at which the rights were granted. The number of shares that vest will depend on the achievement of four performance conditions:

- two conditions linked to financial performance (recurring operating income growth for 25% and net free cash flow growth for 25%);
- a condition linked to an external performance criterion (TSR), benchmarking the Carrefour SA share price against a panel of companies in the retail sector (for 25%);
- a CSR-related condition for 25%.

As the decision to deliver the 2021 plan with treasury shares was taken in 2023, a provision of (40) million euros was recognised during the year to cover the outflow of resources without consideration.

2022 Plan

On February 16, 2022, based on the Compensation Committee's recommendation, the Board of Directors decided to use the authorisation given in the Extraordinary Shareholders' Meeting held on May 21, 2021 to grant new or existing performance shares. The plan provided for the grant of a maximum of 3,104,000 shares excluding shares granted the Executive Officer (representing 0.4% of the share capital). The shares will vest subject to a service condition and several performance conditions.

The vesting period is three years from the date of the Board of Directors' meeting at which the rights were granted. The number of shares that vest will depend on the achievement of four performance conditions:

- two conditions linked to financial performance (recurring operating income growth for 25% and net free cash flow growth for 25%);
- a condition linked to an external performance criterion (TSR), benchmarking the Carrefour SA share price against a panel of companies in the retail sector (for 25%);
- a CSR-related condition for 25%.

No decision has yet been taken on how this plan will be delivered (existing shares or issue of new shares).

2023 Plan

On February 14, 2023, based on the Compensation Committee's recommendation, the Board of Directors decided to use the authorisation given in the Extraordinary Shareholders' Meeting held on May 21, 2021 to grant new or existing performance shares. The plan provided for the grant of a maximum of 2,833,260 shares excluding shares granted the Executive Officer (representing 0.4% of the share capital). The shares will vest subject to a service condition and several performance conditions.

The vesting period is three years from the date of the Board of Directors' meeting at which the rights were granted. The number of shares that vest will depend on the achievement of four performance conditions:

- two conditions linked to financial performance (recurring operating income growth for 25% and net free cash flow growth for 25%);
- a condition linked to an external performance criterion (TSR), benchmarking the Carrefour SA share price against a panel of companies in the retail sector (for 25%);
- a CSR-related condition for 25%.

No decision has yet been taken on how this plan will be delivered (existing shares or issue of new shares).

Characteristics

The main characteristics of the three performance share plans outstanding are presented below.

	2021 Plan	2022 Plan	2023 Plan
Shareholders' Meeting date	June 14, 2019	May 21, 2021	May 21, 2021
Grant date[(1)]	February 17, 2021	February 16, 2022	February 14, 2023
Vesting date[(2)]	February 17, 2024	February 16, 2025	February 14, 2026
Total number of shares approved at the grant date	3,000,000	3,104,000	2,833,260
Number of grantees at the grant date	691	809	680
Fair value of each share (in euros)[(3)]	11.85	14.21	13.23

(1) Notification date (i.e., date on which grantees were notified of the plans' characteristics and terms).
(2) The shares will vest subject to a service condition and several performance conditions.
(3) The Carrefour share price on the grant date (reference price) adjusted for dividends expected during the vesting period and the expected achievement of market performance criteria.

Changes in the year

Movements in shares under these plans were as follows in 2023:

	2023	2022
Number of performance shares granted at January 1	**7,716,270**	**7,907,569**
Shares granted during the year	2,833,260	3,104,000
Shares delivered to grantees during the year(1)	(2,052,809)	(2,598,044)
Shares cancelled during the year(2)	(578,454)	(697,255)
NUMBER OF PERFORMANCE SHARES GRANTED AT DECEMBER 31	**7,918,267**	**7,716,270**

(1) Of which 2,046,409 shares were delivered to heirs of employees under the 2020 plan, and 6,400 under the ongoing 2021 and 2022 Performance Plans.

(2) In 2023, 59,119 shares were cancelled under the 2020 plan, 233,500 under the 2021 plan, 218,375 under the 2022 plan and 67,460 under the 2023 plan.

6.2 Provisions for pension benefit obligations

Pension benefit obligations corresponding to amounts payable to employees on retirement are measured using the projected unit credit method. The main actuarial assumptions used to measure the obligations are described below.

6.2.1 Termination benefit obligations

Company employees in France are legally entitled to a lump-sum payment on retirement, with all rights vested to the persons concerned expensed during the year they are incurred.

The assumptions used to calculate the provision are as follows:

Assumptions	December 31, 2023	December 31, 2022
Rate of future salary increases	3%	3%
Payroll tax rate	36%	36%
Discount rate	3.20%	3.80%
Mortality table	TH 2017-2019/TF 2017-2019	TH 2017-2019/TF 2017-2019
Staff turnover rate (based on seniority):	Before age 55, average of the actual turnover rates for headquarters staff over the period 2021-2023; beyond age 55, the turnover rate is nil	Before age 55, average of the actual turnover rates for headquarters staff over the period 2020-2022; beyond age 55, the turnover rate is nil
0 to 5 years' seniority	*Executives: 10.22%, Managers: 10.99%, Supervisors: 3.86%, employees: 7.09%*	*8.45%*
6 to 10 years' seniority	*Executives: 7.30%, Executives: 6.81%, Supervisors: 0.89%, employees: 3.88%*	*7.43%*
11 to 15 years' seniority	*Executives: 3.08%, Managers: 3.4%, Supervisors: 0.93%, employees: 6.19%*	*2.57%*
16 to 20 years' seniority	*Executives: 5.01%, Managers: 1.56%, Supervisors: 0%, employees: 1.15%*	*4.39%*
21 to 25 years' seniority	*Executives: 3.37%, Managers: 0.37%, Supervisors: 0%, employees: 0%*	*3.68%*
More than 26 years' seniority	*Executives 2.78%, Managers: 0.2%, Supervisors: 0%, employees 0%*	*2.70%*

The provision at December 31, 2023 reflects the full amount of the present value of pension benefit obligations (including actuarial gains and losses and past service costs), net of plan assets. At December 31, 2023, the obligation net of plan assets corresponded to 51 thousand euros in assets.

6.2.2 Supplementary pension obligations

In 2009, Carrefour set up a supplementary defined benefit pension plan, amended in 2015. Following publication of government order 2019-697 dated July 3, 2019 (on transposition into French law of the European "Portability" Directive), the supplementary pension plan was cancelled by decision of the Board of Directors on April 20, 2020 and the provision carried in the consolidated statement of financial position at December 31, 2019 was reversed in full.

In addition, at its meeting of April 20, 2020, the Board of Directors decided to set up a new supplementary pension plan that meets the requirements of Article L. 137-11-2, as amended, of the French Social Security Code (*Code de la sécurité sociale*), effective from January 1, 2020. The main characteristics of the new plan are as follows:

- beneficiaries will retain the annual rights accrued in the event that they leave the Company;
- the rights accrued in a given year will be calculated based on the compensation for that year (reference compensation), without exceeding 60 times the annual social security ceiling;
- rights vest subject to the achievement of annual performance conditions: the performance criteria and specified targets are chosen among those used by the Board of Directors to determine the annual variable component of the Executive Officer's compensation;
- the annual vesting rate under the plan will vary depending on the achievement rates for the performance criteria; and the aggregate annual percentages applied for a given beneficiary, all employers combined, will be capped at 30%.

The Group has externalised the plan's management to an insurance company.

NOTE 7 SHAREHOLDERS' EQUITY

7.1 Share capital

At December 31, 2023, the share capital was made up of 708,790,816 ordinary shares with a par value of 2.50 euros each, versus 742,157,461 shares at December 31, 2022.

The change during the year corresponds to the new shares issued under the Group's employee share ownership plan and the shares cancelled in connection with the capital reductions carried out in July and October 2023.

7.2 Issue and merger premiums

Issue premiums represent the difference between the nominal amount of shares issued and the amount, net of costs, of cash or in-kind contributions received by Carrefour SA.

7.3 Changes in shareholders' equity

(in millions of euros)	Share capital	Issue and merger premiums	Other reserves, retained earnings	Net income	Total shareholders' equity
Shareholders' equity at December 31, 2022	**1,855**	**16,017**	**3,346**	**223**	**21,441**
Appropriation of net income for 2022			223	(223)	-
Dividend distribution			(405)		(405)
Share capital reductions	(95)	(587)			(682)
Share capital increase	12	63			75
Net income for 2023				1,783	1,783
SHAREHOLDERS' EQUITY AT DECEMBER 31, 2023	**1,772**	**15,493**	**3,164**	**1,783**	**22,212**

At the Shareholders' Meeting held on May 26, 2023, the shareholders decided to set the 2022 dividend at 0.56 euro per share to be paid entirely in cash.

On June 8, 2023, the dividend was paid out in an amount of 405 million euros.

Dividends not paid on Carrefour shares held in treasury, in the amount of 6.5 million euros, were credited to retained earnings.

As mentioned in Note 2, further to buying back treasury shares for a total amount of 800 million euros, the Company carried out two capital reductions through the cancellation of shares: (i) an initial capital reduction in July 2023 involving the cancellation of 26,887,362 shares, corresponding to a capital reduction of 67 million euros and an impact on premiums of 418 million euros; (ii) a second capital reduction in October 2023 involving the cancellation of 11,193,018 shares, corresponding to a capital reduction of 28 million euros and an impact on premiums of 169 million euros.

In addition, following the "Carrefour Invest" employee shareholding operation described in Section 2, there was a capital increase of 75 million euros (4,713,735 new ordinary shares), including 12 million euros in capital and 63 million euros in share premium.

7.4 Treasury share reserve

At December 31, 2023, a total of 17,609,525 shares were held in treasury.

Treasury shares comprise:

- 12,802,839 shares held for cancellation, classified under other long-term investments,
- 2,380,586 shares not allocated to specific plans and 2,426,100 shares allocated to cover free share allocation plans classified as cash and cash equivalents. All rights attached to these shares are suspended for as long as they are held in treasury.

The net carrying amount of Carrefour shares held at December 31, 2023 was 294 million euros (see Notes 4.1.2 and 5.2).

NOTE 8 FINANCIAL INCOME, NET

Net financial income breaks down as follows:

(in millions of euros)	2023	2022
Dividends	1,346	1,325
Interest and other financial expenses	(177)	(114)
Impairment and provisions	(98)	(1,602)
Reversals of impairment and provisions	105	280
Other financial income and expenses, net	139	18
FINANCIAL INCOME, NET	**1,314**	**(93)**

In 2023, dividends received stood at 1,346 million euros, mainly including:

- 704 million euros from Dutch subsidiary CNBV;
- 339 million euros from Spanish subsidiary Norfin Holder;
- 157 million euros from French subsidiary CRFP8;
- 35 million euros from French subsidiary CPI;
- 32 million euros from French subsidiary CRFP13.

Interest expense was mainly attributable to bond and note issues.

Further to their remeasurement at December 31, 2023, the Company recognised a reversal of a 64 million euro impairment loss on shares in subsidiaries and affiliates and deficits, and 97 million euros in provisions for shares in subsidiaries (see Note 6).

Movements for the year also include a reversal of impairment of marketable securities for 23 million euros.

Other financial income and expenses include the deferral of bond redemption premiums as well as exchange gains and losses.

NOTE 9 INCOME TAX

9.1 Breakdown of net income and corresponding tax

	2023		
(in millions of euros)	Before tax	Tax	After tax
Recurring income before profit-sharing	1,233		1,233
Non-recurring income, net	4		4
Group relief		546	546
2023 NET INCOME	**1,237**	**546**	**1,783**

The income tax benefit for 2023 mainly corresponds to income from tax consolidation and the recognition of tax credits against income tax expense, reported in the income statement under "Income tax", from the utilisation of previously unrecognised tax losses.

9.2 Tax consolidation

Carrefour SA is the head of a tax consolidation group.

Each company in the tax group records in its accounts the income tax expense or benefit that it would have paid or received if it had been taxed on a stand-alone basis.

The tax saving or additional tax charge corresponding to the difference between the sum of the taxes payable by the companies in the tax group and the tax expense or benefit calculated on the basis of the tax group's consolidated profit or loss is recorded by Carrefour SA.

9.3 Unrecognised deferred taxes

The following table shows the impact of temporary differences between Carrefour SA's taxable profit and accounting profit.

	December 31, 2023		December 31, 2022	
(in millions of euros)	Assets	Liabilities	Assets	Liabilities
1- Temporarily non-deductible expenses				
▪ Provision for contingencies and charges	2		2	
2- Temporarily non-taxable revenue				
▪ Capital gains on mergers and asset contributions qualifying for rollover relief		250		250
3- Other				
▪ tax loss carryforwards			133	
TOTAL	**2**	**250**	**135**	**250**

The amount of 250 million euros recorded in liabilities corresponds to deferred taxes arising on share contribution transactions qualifying for preferential tax treatment under Article 210B of the French General Tax Code (*Code général des impôts*).

NOTE 10 OTHER INFORMATION

10.1 Accounts receivable and accrued assets

Accounts receivable mainly correspond to intra-group receivables related to the provision of services, in which case the receivables are recognised when the service is provided.

They are recorded in the balance sheet at their nominal amount. An impairment loss is recorded when there is a risk that they may not be recovered.

(in millions of euros)	December 31, 2023	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years	December 31, 2022
Accounts receivable	2,798	2,798			2,081
Subtotal accounts receivable	**2,798**	**2,798**			**2,081**
Other accruals(1)	106	106			159
Subtotal accruals	**106**	**106**			**159**
TOTAL	**2,904**	**2,904**			**2,240**

(1) Accounts receivable correspond mainly to intra-group receivables and, to a lesser extent, tax receivables (tax or VAT credits).

(2) Other accruals mainly include translation adjustments, a prepaid expense relating to the Paris 2024 partnership, bond issuance premiums and bond issuance costs which are deferred over the life of the corresponding bonds.

10.2 Accounts payable and accrued liabilities

The debt maturity schedule is as follows:

(in millions of euros)	December 31, 2023	Due within 1 year	Due in 1 to 5 years	Due beyond 5 years	December 31, 2022
Trade payables	11	11			10
Accrued taxes and payroll costs	311	311			254
Other liabilities(1)	1,027	1,027			1,114
TOTAL	**1,349**	**1,349**			**1,378**

(1) Other liabilities essentially correspond to intra-group payables.

10.3 Related parties

There were no material transactions with related parties other than wholly-owned subsidiaries that were not entered into on arm's length terms.

10.4 Off balance sheet commitments

10.4.1 Derivative instruments

Derivative instruments used *(in millions of euros)*	December 31, 2023	Notional amount covered by maturity: Due within 1 year	Due in 1 to 5 years	Due beyond 5 years	December 31, 2022	Market value of derivatives: December 31, 2023	December 31, 2022
Purchased calls	**452**	**452**			**938**	**0.7**	**17**
Currency swaps	**452**	**452**			**948**	**101**	**175**
EUR/USD on convertible bonds[(1)]	452	452			938	101	174
EUR/TWD	0				11	0	1
Purchased interest rate options (caps)	**100**		**100**		**0**	**0.2**	**0**
Purchased swaptions (SWP)	**100**	**75**	**25**		**275**	**8**	**47**
Sold swaptions (SWR)	**0**				**0**		**0**
Interest rate swaps	**0**				**(75)**		**5**
TOTAL	**1,105**	**980**	**125**	**-**	**2,086**	**110**	**243**

(1) A EUR/USD cross-currency swap for 500 million US dollars was arranged in 2017 upon subscription to the cash-settled convertible bond issue on June 7, 2017, and was unwound following the repayment of the bond issue on June 14, 2023.
In the same way, two EUR/USD cross-currency swaps for 250 million US dollars were arranged in March 2018 in parallel to a 500 million US dollar cash-settled convertible bond issue.

10.4.2 Other commitments

(in millions of euros)	December 31, 2023	December 31, 2022
Guarantees[(1)]	40	39
Commitments given	**40**	**39**
Undrawn syndicated lines of credit[(2)]	3,900	3,900
Commitments received	**3,900**	**3,900**

(1) Guarantees mainly relate to guarantees issued on behalf of the Group's captive insurance company.
(2) At December 31, 2023, the Company had two undrawn syndicated lines of credit obtained from a pool of leading banks, for a total of 3.9 billion euros. In 2020, Carrefour exercised the option to extend the two credit facilities from June 2025 to June 2026.
The first credit facility ("Club deal") was negotiated with a syndicate of eight banks for a total of 1.4 billion euros. The second credit facility ("Syndicated facility") was negotiated with a syndicate of 21 banks for a total of 2.5 billion euros.

10.5 Employees and compensation

10.5.1 Average number of employees

	2023	2022
Managerial	5	5
AVERAGE NUMBER OF EMPLOYEES	**5**	**5**

10.5.2 Compensation

Details of management compensation are provided in the management report.

NOTE 11 SUBSEQUENT EVENTS

No events have occurred since the year-end that would have a material impact on the Company at December 31, 2023.

NOTE 12 SUBSIDIARIES AND AFFILIATES

(in millions of euros)	Share capital	Reserves and retained earnings	% interest	Investment at cost	Impairment of shares	Investment, net	Gross amount of merger losses allocated to shares	Net amount of merger losses allocated to shares	Last published income	Last published revenue	Dividends received
A- Detailed information											
1. Subsidiaries (over 50% owned)											
France											
CARMA	23	103	50.0%	44		44	-	-	7	0	0
Carrefour Banque	101	377	60.0%	124		124	-	-	26	196	
Carrefour France	1,995	(1,231)	99.6%	3,979		3,979	6,952	1,245	(693)	20	0
CARREFOUR MANAGEMENT	0	1	100.0%	118	(118)	0	-	-	(5)	0	0
CARREFOUR SYSTEMES D'INFORMATION	164	(203)	100.0%	168	(168)	0	-	-	18	382	0
CRFP 8	3,381	314	74.8%	2,528		2528	-	-	221	0	157
GUYENNE ET GASCOGNE	106	(26)	100.0%	428	(167)	260	-	-	9	12	0
HYPARLO	63	108	100.0%	450		450	180	150	58	0	0
TOTAL				**7,838**	**(453)**	**7,386**	**7,132**	**1,395**	**(360)**	**609**	**157**
International											
CARREFOUR ASIA	195	(190)	100.0%	190	(186)	4					0
Carrefour Nederland BV	2,259	919	100.0%	3,603		3,603	767	767			704
NORFIN HOLDER	2	4,520	79.9%	3,177		3,177	2,872	2,872			339
CAPARBEL	6,334	13	100.0%	6,184	0	6,184	636	97			
TOTAL				**13,154**	**(186)**	**12,969**	**4,275**	**3,736**	**0**	**0**	**1,043**

(in millions of euros)	Share capital	Reserves and retained earnings	% interest	Investment at cost	Impairment of shares	Investment, net	Gross amount of merger losses allocated to shares	Net amount of merger losses allocated to shares	Last published income	Last published revenue	Dividends received
2. Affiliates (10%-50% owned)											
France											
CARREFOUR FINANCE	6,823	850	25.0%	1,668		1,668	-	-	131	0	0
CRFP 13	863	571	38.0%	385		385	-	-	91	0	32
TOTAL				**2,053**		**2,053**	**0**	**0**	**221**	**0**	**32**
International											
Atacadão	1,759	1,836	30.90%	251		251	-	-	322	11,909	18
CARREFOUR ITALIA	1,289	(684)	30.0%	2,312	(2,163)	149	-	-			0
TOTAL				**2,563**	**(2,163)**	**400**	**0**	**0**	**322**	**11,909**	**18**
B- Aggregate information											
1. Other subsidiaries											
France				**11**	**0**	**11**	**0**	**0**			**62**
International				**0**	**0**	**0**	**0**	**0**			**0**
2. Other investments											
France				**98**	**(11)**	**87**	**0**	**0**			**10**
International				**247**	**(8)**	**239**	**0**	**0**			**24**
C- General information about investments											
French subsidiaries (total)				**7,849**	**(453)**	**7,396**	**7,132**	**1,395**			**218**
International subsidiaries (total)				**13,154**	**(186)**	**12,969**	**4,275**	**3,736**			**1,043**
French affiliates (total)				**2,151**	**(11)**	**2,140**	**0**	**0**			**43**
International affiliates (total)				**2,811**	**(2,171)**	**639**	**0**	**0**			**42**
TOTAL				**25,965**	**(2,821)**	**23,144**	**11,407**	**5,131**			**1,346**

Data in greyed out cells are not provided because their disclosure would be seriously prejudicial to the Company's interests.

The columns "Share capital", "Reserves and retained earnings", "Last published income" and "Last published revenue" correspond to information for 2022 since the 2023 data have not yet been authorised for issue by the appropriate governance bodies.

7.5 Statutory Auditors' report on the financial statements

For the year ended December 31, 2023

This is a free translation into English of the statutory auditors' report on the financial statements of the Company issued in French and it is provided solely for the convenience of English speaking users.

This statutory auditors' report includes information required by European regulation and French law, such as information about the appointment of the statutory auditors or verification of the management report and other documents provided to shareholders.

This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Carrefour Shareholders' Meeting,

Opinion

In compliance with the engagement entrusted to us by your Shareholders' Meeting, we have audited the accompanying financial statements of Carrefour for the year ended December 31, 2023.

In our opinion, the financial statements give a true and fair view of the assets and liabilities and of the financial position of the Company as of December 31, 2023 and of the results of its operations for the year then ended in accordance with French accounting principles.

The audit opinion expressed above is consistent with our report to the Audit Committee.

Basis for Opinion

Audit Framework

We conducted our audit in accordance with professional standards applicable in France. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our responsibilities under those standards are further described in the "*Statutory Auditors' Responsibilities for the Audit of the Financial Statements*" section of our report.

Independence

We conducted our audit engagement in compliance with independence requirements of rules required by the French Commercial Code (*Code de commerce*) and the French Code of Ethics (*Code de déontologie*) for statutory auditors for the period from January 1, 2023 to the date of our report, and specifically we did not provide any prohibited non-audit services referred to in Article 5 (1) of Regulation (EU) N° 537/2014.

Justification of Assessments - Key Audit Matter

In accordance with the requirements of Articles L.821-53 and R.821-180 of the French Commercial Code (*code de commerce*) relating to the justification of our assessments, we inform you of the key audit matters relating to risks of material misstatement that, in our professional judgment, were of most significance in our audit of the financial statements of the current period, as well as how we addressed those risks.

These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon, and we do not provide a separate opinion on specific items of the financial statements.

Key Audit Matter

Measurement of the value in use of the shares in subsidiaries and affiliates

(See notes 4.1 and 12 to the financial statements)

As of December 31, 2023, the net book value of the shares including allocated merger losses amounted to €28,276 million and represents the most important item on the balance sheet.

The gross value of investments is recorded at acquisition cost. An impairment loss is recognised when the value in use falls below the net book value (including, where applicable, the net book value of allocated merger losses)

As stated in Note 4.1 to the financial statements, shares in subsidiaries and affiliates are subject to impairment tests at each year-end in order to verify that their net carrying amount does not exceed their value in use. Otherwise, an impairment loss is recognised in the financial result.

As stated in Note 4.1 to the financial statements, the value in use has been determined on the basis of several criteria, the main ones being (i) the value of shareholders' equity, (ii) projections of future cash flows established, (iii) the valuation of the revalued net assets estimated on the basis of reasonable operating forecasts or on the basis of observable data when available (multiples of sales and/or income statement aggregates of recent transactions, offers received from buyers, multiples of stock market values of comparable companies) or analyses carried out by internal or external experts, adjusted, if necessary, for the net debt of the tested entity.

Due to the significant net carrying amount of the shares, uncertainties relating mainly to the probability of the realisation of the future cash flow forecasts used to measure the value in use and sensitivity to changes of the financial data and assumptions used, we considered the measurement of the value in use of the shares to be a key audit matter.

Responses as part of our audit

In order to estimate the value in use of the shares as determined by management, our work consisted in assessing the appropriateness of the methodology used to determine the value in use:

- analysing the consistency of the cash flow forecasts used with our understanding of the group's strategic outlook and guidance;
- comparing past forecasts with actual results to verify the reliability of the forecasting process;
- assessing the reasonableness of the financial parameters used (discount and perpetual growth rates) with the assistance of our specialists in financial valuation and relying particularly on experts valuations;
- assessing the reasonableness of the observable data provided by the company insofar as they contribute to the estimation of the value in use of the securities;
- assessing the appropriateness of the disclosures in Notes 4.1.1, and 12 to the financial statements.

Specific Verifications

We have also performed, in accordance with professional standards applicable in France, the specific verifications required by French laws and regulations.

Information given in the management report and in the other documents with respect to the financial position and the financial statements provided to shareholders.

We have no matters to report as to the fair presentation and the consistency with the financial statements of the information given in the management report of the Board of Directors and in the other documents with respect to the financial position and the financial statements provided to shareholders.

In accordance with French law, we report to you that the information relating to payment times referred to Article D.441-6 of the French Commercial Code (*Code de commerce*) is fairly presented and consistent with the financial statements.

Report on corporate governance

We attest that the Board of Directors' report on corporate governance sets out the information required by Articles L.225-37-4, L. 22-10-10 et L.22-10-9 of the French Commercial Code (*Code de commerce*).

Concerning the information given in accordance with the requirements of Article L. 22-10-9 of the French Commercial Code (*Code de commerce*) relating to remunerations and benefits received by or allocated to the directors and any other commitments made in their favour, we have verified its consistency with the financial statements, or with the underlying information used to prepare these financial statements and, where applicable, with the information obtained by your Company from controlled companies that are included in the scope of consolidation. Based on this work, we attest the accuracy and fair presentation of this information.

Other information

In accordance with French law, we have verified that the required information concerning the identity of the shareholders and holders of the voting rights has been properly disclosed in the management report.

Report on Other Legal and Regulatory Requirements

Format of presentation of the financial statements included in the annual financial report

We have also verified, in accordance with the professional standard applicable in France relating to the procedures performed by the statutory auditor relating to the annual and consolidated financial statements presented in the European single electronic format, that the presentation of the consolidated financial statements included in the annual financial report mentioned in Article L. 451-1-2, I of the French Monetary and Financial Code (*Code monétaire et financier*), prepared under the responsibility of the Chairman and Chief Executive Officer complies with the single electronic format defined in the European Delegated Regulation N° 2019/815 of 17 December 2018.

Based on the work we have performed, we conclude that the presentation of the financial statements included in the annual financial report complies, in all material respects, with the European single electronic format.

We have no responsibility to verify that the financial statements that will ultimately be included by your company in the annual financial report filed with the AMF are in agreement with those on which we have performed our work.

Appointment of the Statutory Auditors

We were appointed as statutory auditors of Carrefour by the Shareholders' Meetings held on April 15, 2003 for Deloitte & Associés, and on June 21, 2011 for Mazars.

As of December 31, 2023, Deloitte & Associés, and Mazars were in the 21th and 13th year of total uninterrupted engagement, respectively.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with French accounting principles and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is expected to liquidate the Company or to cease operations.

The Audit Committee is responsible for monitoring the financial reporting process and the effectiveness of internal control and risks management systems and, where applicable, its internal audit, regarding the accounting and financial reporting procedures.

The financial statements were approved by the Board of Directors.

Statutory Auditors' Responsibilities for the Audit of the Financial Statements

Objectives and audit approach

Our role is to issue a report on the financial statements. Our objective is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with professional standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As specified in Article L.821-55 of the French Commercial Code (*Code de commerce*), our statutory audit does not include assurance on the viability of the Company or the quality of management of the Company's affairs.

As part of an audit conducted in accordance with professional standards applicable in France, the statutory auditor exercises professional judgment throughout the audit and furthermore:

- Identifies and assesses the risks of material misstatement of the financial statements, whether due to fraud or error, designs and performs audit procedures responsive to those risks, and obtains audit evidence considered to be sufficient and appropriate to provide a basis for his opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtains an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluates the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management in the financial statements.
- Assesses the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. This assessment is based on the audit evidence obtained up to the date of his audit report. However, future events or conditions may cause the Company to cease to continue as a going concern. If the statutory auditor concludes that a material uncertainty exists, there is a requirement to draw attention in the audit report to the related disclosures in the financial statements or, if such disclosures are not provided or inadequate, to modify the opinion expressed therein.
- Evaluates the overall presentation of the financial statements and assesses whether these statements represent the underlying transactions and events in a manner that achieves fair presentation.

Report to the Audit Committee

We submit a report to the Audit Committee which includes in particular a description of the scope of the audit and the audit program implemented, as well as the results of our audit. We also report, if any, significant deficiencies in internal control regarding the accounting and financial reporting procedures that we have identified.

Our report to the Audit Committee includes the risks of material misstatement that, in our professional judgment, were of most significance in the audit of the financial statements of the current period and which are therefore the key audit matter that we are required to describe in this report.

We also provide the Audit Committee with the declaration provided for in Article 6 of Regulation (EU) No. 537/2014, confirming our independence within the meaning of the rules applicable in France such as they are set in particular by Articles L.821-27 to L.821-34 of the French Commercial Code (*Code de commerce*) and in the French Code of Ethics (*Code de déontologie*) for statutory auditors. Where appropriate, we discuss with the Audit Committee the risks that may reasonably be thought to bear on our independence, and the related safeguards.

Paris La Défense and Courbevoie, March 27, 2024

The Statutory Auditors

French original signed by

Les Commissaires aux comptes

Mazars Deloitte & Associés

Jérôme de PASTORS	Bertrand BOISSELIER
Marc BIASIBETTI	Olivier BROISSAND

8

INFORMATION ABOUT THE COMPANY AND THE CAPITAL

8.1 Information about the Company

8.1.1 CORPORATE NAME, TRADE AND COMPANIES REGISTER AND LEGAL ENTITY IDENTIFICATION NUMBER (LEI)

Carrefour

Registered with the Évry Trade and Companies Register under no. 652 014 051

LEI: 549300B8P6MUJ1YWTS08

8.1.2 HEAD OFFICE, PHONE NUMBER AND WEBSITE

93, avenue de Paris, 91300 Massy, France

Phone: +33 (0)1 64 50 50 00

Website: *http://www.carrefour.com* (the information provided on the website does not form part of the Universal Registration Document unless that information is incorporated by reference into the Universal Registration Document).

8.1.3 LEGAL FORM AND TERM

French public limited company (*société anonyme*) governed by the provisions of the French Commercial Code (*Code de commerce*).

By decision of the Shareholders' Meeting of July 28, 2008, the Company adopted the form of a *société anonyme* (public limited company) with a Board of Directors. Following its deliberations on June 21, 2011, the Board of Directors decided to combine the duties of Chairman and Chief Executive Officer.

This Board of Directors' decision to combine the duties of Chairman and Chief Executive Officer met the objective to simplify the decision-making process and enhance the efficiency and responsiveness of the Company's governance (see Section 3.1.1 of this Universal Registration Document).

The Company's term, which began on July 11, 1959, will expire on July 10, 2058, unless the Company is wound up in advance or its term is extended.

8.1.4 MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

8.1.4.1 *Raison d'être* (preamble)

Our mission is to provide our 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.

8.1.4.2 Corporate purpose (Article 3)

The purpose of the Company is to:

- create, acquire and operate, in France and abroad, stores for the sale of all items, products, foodstuffs and merchandise and, secondarily, provide within the said stores all services that may be of interest to customers;
- purchase, manufacture, sell, represent and package the said products, foodstuffs and merchandise;
- in general, carry out all industrial, commercial, financial, property and real estate operations relating directly or indirectly to the said purpose, or which may facilitate the said purpose or ensure its development.

The Company may act, directly or indirectly, and conduct any and all of the said operations in any country, on its own behalf or on behalf of third parties, either alone or within partnerships, alliances, groups or companies, with any other persons or companies, and carry out and complete them in any manner whatsoever.

The Company may also acquire any and all interests and stakes in any French or foreign companies or businesses, regardless of their purpose.

8.1.4.3 Board of Directors (Articles 11, 12, 13 and 14)

The Company is managed by a Board of Directors comprising between three and eighteen members.

When the number of Directors appointed by the Ordinary Shareholders' Meeting exceeding 75 years of age is higher than one-third of the Directors in office, the oldest Director is deemed to have resigned; his/her term expires at the next Ordinary Shareholders' Meeting.

Each Director must own at least 1,000 shares during his/her term of office, with the exception of the Directors representing employees.

The members of the Board of Directors, including the Directors representing employees, are appointed for a three-year term.

One-third (or an equivalent proportion) of the members of the Board of Directors appointed by the Ordinary Shareholders' Meeting is renewed every year. At the Board of Directors' meeting following the initial appointments, the names of the Directors exiting the Board at the end of their first and second year are determined by drawing lots. Exiting Directors are eligible for re-appointment.

The Directors cease to hold office at the end of the Ordinary Shareholders' Meeting called to approve the financial statements for the previous year and held during the year in which their term of office expires, with the exception of the Directors representing employees, whose term of office ends on the anniversary date of their appointment.

When the Company falls within the scope of Article L. 225-27-1 of the French Commercial Code, the Board of Directors also includes one or more Directors representing employees. The number of such Directors and the conditions of their appointment are set by the applicable legal provisions and the Company's Articles of Association.

When only one Director representing employees is to be appointed, he/she is appointed by the Group Committee (*Comité de Groupe français Carrefour*). When two Directors representing employees are to be appointed, the second is appointed by the European Works Council (*Comité d'information et de concertation européen Carrefour*).

The Director(s) representing employees are not taken into account for the determination of the maximum number of Directors provided for by the French Commercial Code, or for the enforcement of Article L. 225-18-1 paragraph 1 of the French Commercial Code.

The office of the Director(s) representing employees expires before its term under the conditions provided for by law and this Article, in particular in the case of the termination of his/her/their employment agreement, except in the event of an intergroup transfer. If the conditions provided for in Article L. 225-27-1 of the French Commercial Code are not fulfilled at the end of a given financial year, the office of the Director(s) representing employees expires at the end of the meeting during which the Board of Directors acknowledges that the Company is no longer subject to the said legal requirement.

In the event of a vacancy, for any reason, of the office of a Director representing employees, the vacant seat is filled according to the conditions provided for in Article L. 225-34 of the French Commercial Code. Until the date of replacement of the Director representing employees, the Board of Directors may validly meet and deliberate.

In addition to the provisions of Article L. 225-29 paragraph 2 of the French Commercial Code, and for the avoidance of doubt, it is specified that the failure of the committee(s) designated by the Company's Articles of Association to appoint a Director or Directors representing employees does not affect the validity of the Board of Directors' deliberations, in accordance with the law and this Article.

Subject to the provisions of this Article and to the applicable legal provisions, the Director(s) representing employees have the same status, rights and obligations as the other Directors.

The Board of Directors appoints a Chairman, from among its members, who must be an individual. The age limit for the position of Chairman is 75. The Chairman may perform his/her duties until the Ordinary Shareholders' Meeting called to approve the financial statements for the previous year and held during the year in which he/she reaches the age of 70.

The Chairman may be appointed for the entire duration of his/her term of office as a Director.

The Board of Directors appoints a Vice-Chairman, from among its members, who is asked to replace the Chairman in case of absence, temporary unavailability, resignation, death or non-renewal of his/her term of office. If the Chairman is temporarily unavailable, the Vice-Chairman replaces him/her for a defined period of time during such unavailability; otherwise the Vice-Chairman acts as Chairman until a new Chairman is appointed.

The Chairman organises and directs the Board of Directors' work, reporting thereon to the Shareholders' Meeting.

The Chairman ensures the proper functioning of the Company's bodies and, in particular, that the Directors are able to perform their duties.

The Board of Directors meets as often as required to serve the Company's interests, either at the head office or at any other place indicated in the Notice of Meeting. Certain decisions referred to in Article L. 225-37 of the French Commercial Code may be the subject of written consultations of the Directors.

The Directors are called to meetings by the Chairman or, where necessary, by the Vice-Chairman, by any means, including orally.

Board of Directors' meetings are chaired by the Chairman of the Board of Directors or, where necessary, by the Vice-Chairman.

Proceedings are conducted under the conditions of quorum and majority prescribed by law.

The Board of Directors' deliberations are recorded in minutes kept in a special register in accordance with the applicable legislation or Article R. 225-22 of the French Commercial Code, in electronic format. In such a case, the minutes are signed using an electronic signature that complies with the minimum requirements of an advanced electronic signature provided for in Article 26 of Regulation (EU) 910/2014 of the European Parliament and of the Council of July 23, 2014 on electronic identification and trusted services for electronic transactions within the internal market. The Secretary of the Board of Directors is authorised to certify copies and extracts of meeting minutes.

The Board of Directors determines the Company's business strategy and oversees its implementation.

Subject to the powers expressly attributed to the Shareholders' Meetings and within the scope of the corporate purpose, the Board of Directors deals with all matters relating to the proper management of the Company and, through its proceedings, handles other matters concerning it.

The Board conducts the controls and audits that it deems appropriate. The Directors receive all information needed to perform their duties and may consult any documents that they deem useful.

8.1.4.4 Management (Article 16)

As provided for by law, the management of the Company comes under the responsibility of either the Chairman of the Board of Directors or another individual appointed by the Board of Directors and bearing the title of Chief Executive Officer.

Based on a majority vote of the Directors present or represented, the Board of Directors chooses between the two aforementioned management methods.

The Board of Directors appoints, from among its members or otherwise, the Chief Executive Officer, an individual under the age of 70, who has the broadest powers to act on the Company's behalf under all circumstances. The Chief Executive Officer exercises his/her powers within the scope of the corporate purpose and subject to the powers expressly attributed by law to the Shareholders' Meetings and the Board of Directors. The Chief Executive Officer represents the Company in its dealings with third parties.

The age limit for the position of Chief Executive Officer is 70. The duties of a Chief Executive Officer who reaches the said age limit cease following the Shareholders' Meeting called to approve the financial statements for the previous year and held during the year in which the said age limit is reached.

When the Company is managed by the Chairman, the provisions of the laws and regulations or the Company's Articles of Association relating to the Chief Executive Officer are applicable to the Chairman. The Chairman assumes the title of Chairman and Chief Executive Officer and may perform his/her duties until the Ordinary Shareholders' Meeting called to approve the financial statements for the previous year and held during the year in which he/she reaches the age of 70.

The Board of Directors may determine the areas in which the Chief Executive Officer must consult the Board of Directors in performing his/her duties.

8.1.4.5 Shareholder rights (Article 9)

Double voting rights are conferred on all fully paid up registered shares that have been registered in the name of the same shareholder for at least two years.

Double voting rights are cancelled for any shares converted into bearer form or whose ownership is transferred, subject to any exceptions provided for by law.

Solely the Extraordinary Shareholders' Meeting is authorised to modify shareholders' rights, as provided for by law.

8.1.4.6 Shareholders' Meetings (Articles 20 to 23)

All shareholders are entitled to attend Shareholders' Meetings in person or by proxy, upon presentation of identification and evidence of share ownership, in the form and at the place indicated in the Notice of Meeting, in accordance with the conditions provided for in the applicable regulations.

Every shareholder has the right to participate in Shareholders' Meetings by way of a proxy granted to any other person or legal entity of his/her choice, and may also vote by post, subject to the conditions provided for in the applicable regulations.

Any shareholder may, if the Board of Directors so decides when convening the Shareholders' Meeting, also participate in and vote at Shareholders' Meetings via videoconference or any other means of telecommunication (including the Internet) that enables him/her to be identified under the conditions and according to the procedures provided for in the applicable laws. Shareholders are notified of such a decision in the Notice of Meeting published in the French legal gazette (*Bulletin des annonces légales obligatoires*).

Any shareholders who use, for such purpose and within the required periods, the electronic voting form provided on the website set up by the Shareholders' Meeting organiser are considered to be shareholders present or represented. The electronic form may be completed and signed directly on the site using a login and password, as provided for in the first sentence of the second paragraph of Article 1316-4 of the French Civil Code (*Code civil*).

The proxy or vote thus cast electronically prior to the Shareholders' Meeting, as well as the acknowledgement of receipt provided, will be considered binding documents that are enforceable against all persons, it being specified that, in the event of a transfer of shares occurring prior to the date provided for in the applicable laws and regulations, the Company will invalidate or modify accordingly, depending on the situation, the proxy or vote cast prior to said date.

Shareholders' Meetings are convened by the Board of Directors under the conditions and within the time limits prescribed by law. They are held at the head office or at any other place indicated in the Notice of Meeting.

The Shareholders' Meeting is chaired by the Chairman of the Board of Directors or, in his/her absence, by the Vice-Chairman or a Director designated by the Board of Directors.

Vote teller duties are fulfilled by the two shareholders, present and willing, who hold the greatest number of votes, either in their own name or by proxy.

The Meeting Committee (*bureau*) appoints a secretary, who does not need to be a member of the Shareholders' Meeting.

Ordinary and Extraordinary Shareholders' Meetings voting under the conditions of quorum and majority prescribed by law exercise the powers attributed to them in accordance with the law.

8.1.4.7 Provision of the issuer's Articles of Association that would delay, postpone or prevent a change in its control

None.

8.2 Information about the capital

8.2.1 CHANGE IN SHARE CAPITAL

Capital increase on May 31, 2023

Further to the implementation of the "Carrefour Invest" employee share ownership plan (the "Employee Plan") reserved for members of the Group savings plan (the "PEG") and the international Group savings plan (the "PEGI"), pursuant to the 28th resolution of the Combined Shareholders' Meeting of May 21, 2021, the Board of Directors decided to increase the Company's share capital by 11,365,697.50 euros through the issue of 4,546,279 new shares with a par value of 2.50 euros each.

In addition, following the implementation of the plan reserved for Société Générale to cover the stock appreciation rights (SARs) allocated to employees of Italian entities who are members of the PEGI, pursuant to the 21st resolution of the Combined Shareholders' Meeting of May 26, 2023, the Board of Directors decided to increase the Company's share capital by 418,640 euros through the issue of 167,456 new shares with a par value of 2.50 euros each.

Accordingly, the Company's share capital was increased by a nominal amount of 11,784,337.50 euros (eleven million, seven hundred eighty-four thousand, three hundred thirty-seven euros and fifty cents) through the issue of 4,713,735 Company shares.

Following this increase, the share capital amounted to 1,867,177,990 euros (one billion, eight hundred sixty-seven million, one hundred seventy-seven thousand, nine hundred ninety euros), divided into 746,871,196 shares with a par value of 2.50 euros each.

Capital reduction on July 28, 2023

Further to the implementation of its share buyback programme and pursuant to the authorisation granted by the Shareholders' Meeting of June 3, 2022 (14th resolution), the Board of Directors decided to reduce the Company's share capital by cancelling shares purchased under the programme.

Accordingly, the Company's share capital was reduced by a nominal amount of 67,218,405 euros (sixty-seven million, two hundred eighteen thousand, four hundred five euros) through the cancellation of 26,887,362 Company shares.

Following this reduction, the Company's share capital amounted to 1,799,959,585 euros (one billion, seven hundred ninety-nine million, nine hundred fifty-nine thousand, five hundred eighty-five euros), divided into 719,983,834 shares with a par value of 2.50 euros each.

Capital reduction on October 25, 2023

Further to the implementation of its share buyback programme and pursuant to the authorisation granted by the Shareholders' Meeting of May 26, 2023 (13th resolution), the Board of Directors decided to reduce the Company's share capital by cancelling shares purchased under the programme.

Accordingly, the Company's share capital was reduced by a nominal amount of 27,982,545 euros (twenty-seven million, nine hundred eighty-two thousand, five hundred forty-five euros) through the cancellation of 11,193,018 Company shares.

Following the reduction, the share capital amounted to 1,771,977,040 euros (one billion, seven hundred seventy-one million, nine hundred seventy-seven thousand forty euros), divided into 708,790,816 shares with a par value of 2.50 euros each.

Shares not representing capital: number and primary characteristics

None.

Amount of convertible or exchangeable securities or securities with stock purchase warrants

None.

Information on the conditions governing any right of acquisition and/or any obligation relating to unpaid share capital, or on any undertaking to increase the capital

None.

Information on the capital of any member of the Group that is under option or subject to a conditional or unconditional agreement to be put under option, and the details of such options

None.

8.2.2 SUMMARY OF DELEGATIONS OF AUTHORITY AND POWERS CONCERNING CAPITAL INCREASES

Type	Guarantee amount	Date of the Annual Shareholders' Meeting	Duration	Expiry date	Use during 2023
Issue of shares and/or marketable securities with pre-emptive subscription rights					
■ Shares	€500 million	May 26, 2023	26 months	July 26, 2025	-
■ Other marketable securities	€4.5 billion	May 26, 2023	26 months	July 26, 2025	-
Issue of shares and/or marketable securities without pre-emptive subscription rights as part of a public tender or public exchange offer made by the Company for another company					
■ Shares	€175 million	May 26, 2023	26 months	July 26, 2025	-
■ Other marketable securities	€1.5 billion	May 26, 2023	26 months	July 26, 2025	-
Issue of shares and/or marketable securities without pre-emptive subscription rights (private placement)					
■ Shares	€175 million	May 26, 2023	26 months	July 26, 2025	-
■ Other marketable securities	€1.5 billion	May 26, 2023	26 months	July 26, 2025	-
Issue of shares and/or marketable securities to remunerate contributions-in-kind granted to the Company in an amount of up to 10% of the share capital	10%	May 26, 2023	26 months	July 26, 2025	-
Capital increase by incorporation of reserves, profits and premiums	€500 million	May 26, 2023	26 months	July 26, 2025	-
Capital increase in favour of employees who are members of a Company savings plan (shareholder waiver of pre-emptive subscription rights)	€35 million	May 21, 2021	26 months	May 26, 2023	4,546,279 shares, i.e., approximately 0.64% of the Company's share capital at December 31, 2023
Capital increase in favour of employees who are members of a Company savings plan (shareholder waiver of pre-emptive subscription rights)	€35 million	May 26, 2023	26 months	July 26, 2025	-
Free allotment of new or existing Company shares to salaried employees and officers of the Company and its affiliates (shareholder waiver of pre-emptive subscription rights)	0.8% 0.25% (Company officers)	May 21, 2021	26 months	May 26, 2023	2,833,260 shares, i.e., approximately 0.4% of the Company's share capital at December 31, 2023 (of which 0.05% for Company officers)

Type	Guarantee amount	Date of the Annual Shareholders' Meeting	Duration	Expiry date	Use during 2023
Free allotment of new or existing Company shares to salaried employees and officers of the Company and its affiliates (shareholder waiver of pre-emptive subscription rights)	With performance conditions: 1% (of which 0.25% for Company officers) Without performance conditions: 1% (of which 0% for Company officers)	May 26, 2023	26 months	July 26, 2025	-
Capital increases reserved for a named person (Carrefour Invest/Italy plan)	€2.50 million	May 26, 2023	18 months	November 26, 2024	167,456 shares, i.e., approximately 0.02% of the Company's share capital at December 31, 2023
Transactions in Company shares	10% of the Company's capital	June 3, 2022	18 months	May 26, 2023	46,197,844 shares bought back in 2023, i.e., approximately 6.52% of the Company's share capital at December 31, 2023
Transactions in Company shares	10% of the Company's capital	May 26, 2023	18 months	November 26, 2024	

8.2.3 CHANGE IN THE COMPANY'S CAPITAL

Event	Change in the number of shares	Capital *(in euros)*
Position at December 31, 2018	**789,252,839**	**1,973,132,097.50**
Capital increase resulting from the option to pay the dividend in shares	17,096,567	
Capital increase resulting from the vesting of performance shares issued under the 2016 long-term incentive plan	916,098	
Position at December 31, 2019	**807,265,504**	**2,018,163,760.00**
Capital increase resulting from the option to pay the dividend in shares	10,358,336	
Position at December 31, 2020	**817,623,840**	**2,044,059,600.00**
Capital reduction through cancellation of treasury shares	29,475,225	
Capital reduction through cancellation of treasury shares	12,252,723	
Position at December 31, 2021	**775,895,892**	**1,939,739,730.00**
Capital reduction through cancellation of treasury shares	21,232,106	
Capital reduction through cancellation of treasury shares	12,506,325	
Position at December 31, 2022	**742,157,461**	**1,855,393,652.50**
Capital increase reserved for employees	746,871,196	1,867,177,990.00
Capital reduction through cancellation of treasury shares	719,983,834	1,799,959,585.00
Capital reduction through cancellation of treasury shares	708,790,816	1,771,977,040.00
Position at December 31, 2023	**708,790,816**	**1,771,977,040.00**

8.2.4 TREASURY SHARE BUYBACKS

Treasury shares

At December 31, 2023, the Company held 17,609,525 treasury shares (i.e., 2.48% of the share capital).

The market value of treasury shares held at December 31, 2023, based on the final quoted price known for the year of 16.57 euros per share, was approximately 292 million euros.

Of these 17,609,525 treasury shares held by the Company at December 31, 2023:

- 4,806,686 shares are used to cover stock option plans, performance share plans and any other allocations of shares;
- 12,802,839 shares are earmarked for cancellation.

Share buyback programmes in effect during 2023

Share buyback programme approved by the Shareholders' Meeting of June 3, 2022

The Shareholders' Meeting of June 3, 2022, deliberating pursuant to Article L. 22-10-62 of the French Commercial Code, authorised the Board of Directors to purchase Company shares, enabling it to use the option of dealing in treasury shares, to:

- engage in market making activities in the secondary market or ensure the liquidity of Company shares through an investment services provider, under the terms of a liquidity agreement and in accordance with the market practices accepted by the AMF;
- implement any Company stock option plan or any similar plan, in accordance with the provisions of Articles L. 225-177 *et seq.* of the French Commercial Code;

- allocate or transfer shares to employees for their investment in the Company's development and/or to implement any savings plan as provided for by law, in particular Articles L. 3332-1 *et seq*. of the French Labour Code (*Code du travail*);
- allocate performance shares under the provisions of Articles L. 225-197-1 *et seq*. of the French Commercial Code;
- in general, meet all obligations relating to stock option plans or other allocation of Company shares to employees and/or Company officers of the Group or of related companies;
- deliver shares upon the exercise of rights attached to securities giving access to share capital by means of redemption, conversion, exchange, exercise of a warrant or any other means;
- cancel some or all of the shares thus repurchased, provided that the Board of Directors has a valid authorisation from the Extraordinary Shareholders' Meeting to reduce the share capital by cancelling shares purchased as part of a share buyback programme; or
- engage in any market making activities that may be recognised by law or the AMF.

The purchase, sale or transfer of shares may be carried out and paid for by any means, on one or more occasions, on the open market or through a private transaction, including the use of option mechanisms, derivatives – in particular the purchase of call options – or securities giving a right to shares of the Company, under the terms set forth by the market authorities. Moreover, the maximum portion of capital that can be purchased, sold or transferred as blocks of securities may extend to the entire share buyback programme.

The Company may not use the authority granted by the Shareholders' Meeting of June 3, 2022 and continue to implement its share buyback programme in the event of a public offer involving shares or other securities issued or initiated by the Company.

For each of the goals pursued under this programme, the number of shares purchased as authorised above was as follows:

- liquidity agreement: none;
- stock option plan: none;
- performance share plan: none;
- cancellation: none;
- sale of treasury shares: none.

Maximum percentage of capital, maximum number and characteristics of the shares the Company intends to purchase and maximum purchase price:

- the maximum purchase price per share is 30 euros and the maximum number of shares that may be purchased is 10% of the Company's share capital on the date at which the authorisation is used.

Term of the share buyback programme:

- eighteen months from June 3, 2022 pursuant to the authorisation granted at the Shareholders' Meeting, i.e., until December 3, 2023.

Share buyback programme approved by the Shareholders' Meeting of May 26, 2023

The Shareholders' Meeting of May 26, 2023, deliberating pursuant to Article L. 22-10-62 of the French Commercial Code, authorised the Board of Directors to purchase Company shares, enabling it to use the option of dealing in treasury shares, to:

- engage in market making activities in the secondary market or ensure the liquidity of Company shares through an investment services provider, under the terms of a liquidity agreement and in accordance with the market practices accepted by the AMF;
- implement any Company stock option plan or any similar plan, in accordance with the provisions of Articles L. 225-177 *et seq*. of the French Commercial Code; or
- allocate or transfer shares to employees for their investment in the Company's development and/or to implement any savings plan as provided for by law, in particular Articles L. 3331-1 *et seq*. of the French Labour Code; or
- hedge exposure to financial contracts or cash settlement options based on changes in the Company's share price, granted to employees and/or officers of the Company and/or companies that are or will be related to the Company in accordance with applicable legal conditions and procedures; or
- allocate performance shares under the provisions of Articles L. 225-197-1 *et seq*. of the French Commercial Code; or
- in general, meet all obligations relating to stock option plans or other allocation of Company shares to employees and/or Company officers of the Group or of related companies; or
- deliver shares upon the exercise of rights attached to securities giving access to share capital by means of redemption, conversion, exchange, exercise of a warrant or any other means; or
- cancel some or all of the shares thus repurchased, provided that the Board of Directors has a valid authorisation from the Extraordinary Shareholders' Meeting to reduce the share capital by cancelling shares purchased as part of a share buyback programme; or
- engage in any market making activities that may be recognised by law or the AMF.

The purchase, sale or transfer of shares may be carried out and paid for by any means, on one or more occasions, on the open market or through a private transaction, including the use of option mechanisms, derivatives – in particular the purchase of call options – or securities giving a right to shares of the Company, under the terms set forth by the market authorities. Moreover, the maximum portion of capital that can be purchased, sold or transferred as blocks of securities may extend to the entire share buyback programme.

The Company may not use the authority granted by the Shareholders' Meeting of May 26, 2023 and continue to implement its share buyback programme in the event of a public offer involving shares or other securities issued or initiated by the Company.

For each of the goals pursued under this programme, the number of shares purchased as authorised above was as follows:

- liquidity agreement: none;
- stock option plan: none;
- performance share plan: none;
- cancellation: under a share buyback mandate conducted in two separate tranches, the Company bought back 32,878,393 shares earmarked for cancellation. On July 28, 2023 and October 25, 2023, the Company cancelled 26,887,362 and 11,193,018 shares respectively that had been purchased under this share buyback programme;
- sale of treasury shares: none.

Maximum percentage of capital, maximum number and characteristics of the shares the Company intends to purchase and maximum purchase price:

- the maximum purchase price per share is 30 euros and the maximum number of shares that may be purchased is 10% of the Company's share capital on the date at which the authorisation is used.

Term of the share buyback programme:

- eighteen months from May 26, 2023 pursuant to the authorisation granted at the Shareholders' Meeting, i.e., until November 26, 2024.

Transactions carried out by way of purchase, sale or transfer under the buyback programmes

Percentage of capital held directly and indirectly by the Company (in shares and as a percentage) at the beginning of the last programme on May 26, 2023	22,811,512/3.07%
Number of shares cancelled over the past 24 months	71,818,811
Number of shares held at December 31, 2023 (in shares and as a percentage)	17,609,525/2.48%
Gross book value of the portfolio (in euros)	311,836,970.89
Market value of the portfolio (in euros)	291,789,829.25
Number of shares purchased during the year	46,197,844
Number of shares sold during the year	-
Transaction costs (in euros)	135,000
Average purchase price (in euros)	17.33
Average sale price	-

(1) Number of shares purchased under the share buyback programme approved by the Shareholders' Meetings of June 3, 2022 and May 26, 2023.

8.2.5 GRANT OF OPTIONS

There were no longer any Carrefour stock option plans outstanding at December 31, 2023.

8.2.6 GRANT OF SHARES

On February 14, 2023, based on the Compensation Committee's recommendation, the Board of Directors decided to use the authorisation given in the 29th resolution of the Shareholders' Meeting held on May 21, 2021 to grant performance shares (new or existing) to 680 Group employees. Shares granted under this plan will vest only if the grantee remains with the Group until the end of the vesting period and several performance conditions are met.

The vesting period is three years from the date of the Board of Directors' meeting at which the rights were granted.

The number of shares that vest will depend on the achievement of four performance conditions, each with a weighting of 25%:

- two conditions linked to financial performance: recurring operating income and net free cash flow;
- one condition linked to share performance: total shareholder return;
- a CSR-related condition.

Details of the performance share plans in progress at December 31, 2023 are presented below.

	2021 Performance Plan	2022 Performance Plan	2023 Performance Plan
Date of the Annual Shareholders' Meeting	June 14, 2019	May 21, 2021	May 21, 2021
Grant date	February 17, 2021	February 16, 2022	February 14, 2023
Vesting date(1)	February 17, 2024	February 16, 2025	February 14, 2026
Number of shares awarded at grant date	3,000,000	3,104,000	2,833,260
of which to Company Officers	*335,330*	*338,345*	*401,862*
Number of grantees at grant date	691	809	680
Fair value of one share (in euros)(2)	11.85	14.21	13.23
Total number of shares delivered	2,418,700	N/A	N/A

(1) The shares will vest only if the grantee remains with the Group until the end of the vesting period and several performance conditions are met.
(2) The Carrefour share price on the grant date (reference price) adjusted for estimated dividends not received during the vesting period.

The 2021 performance share plan expired on February 17, 2024. The Carrefour group's performance with regard to this plan was 100% (effective performance of 105%, capped at 100%). The corresponding shares were delivered to the grantees in accordance with the terms of the relevant regulation.

A total of 2,418,700 shares were delivered under this plan.

The performance achieved by the Group breaking down as follows over the performance assessment period: the performance level achieved for the recurring operating income criterion was 94.5% (1); the performance level achieved for the free cash flow criterion was 150% (2); the performance level of the TSR criterion was 50% (3); and the performance level achieved for the CSR criterion was 125% (4).

Movements in performance shares in 2023 were as follows:

	2022	2023
Number of performance shares granted at January 1	**7,907,569**	**7,647,216**
Shares granted during the year(1) (2)	3,104,000	2,833,260
Shares delivered to grantees during the year(3)	2,598,044	2,052,809
Of which shares delivered to Company officers	249,146	*304,597*
Shares cancelled during the year(4)	(766,309)	(534,557)
Number of performance shares granted at December 31	**7,647,216**	**7,893,110**

(1) 2022 performance share plan decided by the Board of Directors on February 16, 2022.
(2) 2023 performance share plan decided by the Board of Directors on February 14, 2023.
(3) Shares allocated by the Board of Directors on February 26, 2020. The performance level achieved by the Carrefour group was 100% (actual performance 118%, capped at 100%), breaking down as follows: the average performance level achieved for the recurring operating income criterion was 116% (in millions of euros: 2020: target 2,172 – result 2,324 – performance 125.3%. 2021: target 2,355 – result 2,481 – performance 121%. 2022: target 2,508 - result 2,524 - performance 102.7%.); the performance level achieved for the free cash flow criterion was 150% (in millions of euros: 2020: target 1,250 – result 1,889 – performance 150%. 2021: target 1,351 – result 1,836 – performance 150%. 2022: target 1,505 - result 1,993 - performance 150%); the performance level of the TSR criterion was 75% (for a positioning in fourth place on the panel of companies); the performance level achieved for the CSR criterion was 129.2% (2020: target 100% - result 115% - performance 137.5%. 2021: target 100% – result 111% – performance 127.5%. 2022: target 100% – result 109% – performance 122.5%.)
(4) Shares cancelled under the 2020, 2021, 2022 and 2023 performance share plans.

(1) ROI: average performance over three years 94.5% (in millions of euros). 2021: target 2,182 – result 2,176 – performance 99%. 2022: target 2,300 – result 2,227 – performance 87.8%. 2023: target 2,420 – result 2,400 – performance 96.7%.
(2) Net FCF: average performance over three years 150% (in millions of euros). 2021: target 914 – result 1,127 – performance 150%. 2022: target 967 – result 1,217 – performance 150%. 2023: target 1,029 – result 1,805 – performance 150%.
(3) For a positioning in fifth place of the panel of companies.
(4) CSR: average performance over three years 125%. 2021: target 100% – result 111% – performance 127.5%. 2022: target 100% – result 109% – performance 122.5%. 2023: target 100% – result 110% – performance 125%.

8.3 Shareholders

8.3.1 MAIN SHAREHOLDERS

At December 31, 2023, the share capital amounted to 1,771,977,040 euros (one billion, seven hundred seventy-one million, nine hundred seventy-seven thousand forty euros), divided into 708,790,816 shares with a par value of 2.50 euros each.

The Company is authorised to identify bearer shares.

The number of voting rights at December 31, 2023 was 886,612,205. After deducting the voting rights that cannot be exercised, the total number of voting rights was 869,002,680.

CAPITAL (AT DECEMBER 31, 2023)

To the Company's knowledge, the breakdown of the capital and voting rights at December 31, 2023 was as follows:

Shareholders	Number of shares	Capital (in %)	Number of actual voting rights	Actual voting rights (in %)	Number of theoretical voting rights	Theoretical voting rights (in %)
Galfa	79,624,212	11.23%	159,248,424	18.33%	159,248,424	17.96%
	22,291,101[1]	3.14%			22,291,101	2.51%
Subtotal – Galfa	**101,915,313**	**14.38%**	**159,248,424**	**18.33%**	**181,539,525**	**20.48%**
Peninsula Europe[1][2]	**62,563,160**	**8.83%**	**125,126,320**	**14.40%**	**125,126,320**	**14.11%**
Bank of America Merrill Lynch	**56,646,433**	**7.99%**	**56,646,433**	**6.52%**	**56,646,433**	**6.39%**
Employees (company mutual fund)	8,945,850	1.26%	15,811,950	1.82%	15,811,950	1.78%
Treasury shares	17,609,525	2.48%	-	-	17,609,525	1.99%
Public	461,110,535	65.06%	512,169,553	58.94%	489,878,452	55.25%
TOTAL	**708,790,816**	**100.00%**	**869,002,680**	**100.00%**	**886,612,205**	**100.00%**

(1) Held via stock options.
(2) Including 24,809,568 registered shares held by Abilio Diniz.
(3) Shares pledged to banks under structured financing arrangements.

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CAPITAL (AT DECEMBER 31, 2022)

To the Company's knowledge, the breakdown of the capital and voting rights at December 31, 2022 was as follows:

Shareholders	Number of shares	Capital (in %)	Number of actual voting rights	Actual voting rights (in %)	Number of theoretical voting rights	Theoretical voting rights (in %)
Galfa	79,624,212	10.73%	159,248,424	17.49%	159,248,424	17.27%
	22,291,101(1)	3.00%			22,291,101	2.42%
Subtotal – Galfa	**101,915,313**	**13.73%**	**159,248,424**	**17.49%**	**181,539,525**	**19.68%**
Peninsula Europe(2)(3)	**62,563,160**	**8.43%**	**125,022,711**	**13.73%**	**125,022,711**	**13.56%**
Bank of America Merrill Lynch	**43,883,841**	**5.91%**	**43,883,841**	**4.82%**	**43,883,841**	**4.76%**
Employees (company mutual fund)	7,083,500	0.95%	13,949,600	1.53%	13,949,600	1.51%
Treasury shares	11,544,870	1.56%	-	-	11,544,870	1.25%
Public	515,166,777	69.41%	568,627,552	62.44%	546,336,451	59.24%
TOTAL	**742,157,461**	**100.00%**	**910,732,128**	**100.00%**	**922,276,998**	**100.00%**

(1) Held via stock options.
(2) Including 24,809,568 registered shares held by Abilio Diniz.
(3) Shares pledged to banks under structured financing arrangements.

CAPITAL (AT DECEMBER 31, 2021)

To the Company's knowledge, the breakdown of the capital and voting rights at December 31, 2021 was as follows:

Shareholders	Number of shares	Capital (in %)	Number of actual voting rights	Actual voting rights (in %)	Number of theoretical voting rights	Theoretical voting rights (in %)
Galfa	79,624,212	10.26%	159,248,424	16.83%	159,248,424	16.66%
	22,291,101(1)	2.87%	-	-	22,291,101	2.33%
Subtotal – Galfa	**101,915,313**	**13.14%**	**159,248,424**	**16.83%**	**181,539,525**	**18.99%**
Peninsula Europe	**62,563,160(2)(3)**	**8.06%**	**122,797,711**	**12.97%**	**122,797,711**	**12.85%**
Bank of America Merrill Lynch	**48,511,723**	**6.25%**	**48,511,723**	**5.13%**	**48,511,723**	**5.08%**
Employees	7,188,600	0.93%	14,338,858	1.52%	14,338,858	1.50%
Treasury shares	9,457,539	1.22%	-	-	9,457,539	0.99%
Public	546,259,557	70.40%	601,526,891	63.56%	579,235,790	60.60%
TOTAL	**775,895,892**	**100.00%**	**946,423,607**	**100.00%**	**955,881,146**	**100.00%**

(1) Held via stock options.
(2) Including 24,809,568 shares held by Abilio Diniz.
(3) Shares pledged to banks under structured financing arrangements.

Carrefour shareholder agreement

There is no shareholder agreement at Carrefour.

Employee shareholding

At December 31, 2023, Group employees held 1.26% of the Company's share capital through the Company mutual fund.

8.3.2 CROSSING OF THRESHOLDS REPORTED TO THE COMPANY IN 2023

To the Company's knowledge, the crossing of the following statutory thresholds was reported by the shareholders to the Company and the AMF in 2023:

Shareholders	Date threshold was crossed	Upward or downward	Threshold crossed	Percentage of share capital held at the declaration date	Percentage of voting rights held at the declaration date	Number of shares
BlackRock	February 1, 2023	Upward	5.00%	5.10%	4.10%	37,840,829
BlackRock	February 8, 2023	Downward	5.00%	4.98%	4.01%	36,984,481
BlackRock	February 9, 2023	Upward	5.00%	5.01%	4.03%	37,201,059
BlackRock	February 10, 2023	Downward	5.00%	4.99%	4.02%	37,034,155
BlackRock	February 14, 2023	Upward	5.00%	5.01%	4.03%	37,176,291
Bank of America	May 4, 2023	Upward	10.00%	10.13%	8.15%	75,170,866
Bank of America	May 10, 2023	Downward	10.00%	9.97%	8.03%	74,013,527
Bank of America	June 7, 2023	Downward	5.00%	6.06%	4.88%	45,233,367
Bank of America	June 8, 2023	Upward	5.00%	6.59%	5.31%	49,221,755
Bank of America	June 16, 2023	Downward	5.00%	6.19%	4.99%	46,240,406
Bank of America	June 22, 2023	Upward	5.00%	6.25%	5.04%	46,671,283
Bank of America	June 28, 2023	Downward	5.00%	6.17%	4.98%	46,108,503
Bank of America	June 29, 2023	Upward	5.00%	6.46%	5.21%	48,239,557

8.3.3 INFORMATION REFERRED TO IN ARTICLE L. 233-13 OF THE FRENCH COMMERCIAL CODE

At the end of 2023:

- Galfa, a simplified joint-stock company formed under French law whose head office is located at 27, rue de la Chaussée d'Antin, 75009 Paris, France, held more than one-tenth of the share capital and more than three-twentieths of the voting rights;
- Peninsula Europe SA, whose head office is located at 26, boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg, held more than one-twentieth of the share capital and more than one-tenth of the voting rights;
- Bank of America Merrill Lynch International Limited, whose head office is located at 2, King Edward Street, London EC1A 1HQ, UK, held more than one-twentieth of the share capital and less than one-twentieth of the voting rights.

8.3.4 INFORMATION REFERRED TO IN ARTICLE L. 22-10-11 OF THE FRENCH COMMERCIAL CODE

To the Company's knowledge, the composition of the share capital is as shown in the table in Section 8.3.1 of this Universal Registration Document.

To the Company's knowledge, there is no agreement between its principal shareholders that could result in a change of control of the Company if implemented subsequently.

The summary table of current delegations of authority and powers granted to the Board of Directors appears in Section 8.2.2 of this Universal Registration Document. Any delegation whose implementation is likely to jeopardise a public offer is suspended during the public offer period.

9

ADDITIONAL INFORMATION

9.1 Publicly available documents

Documents concerning the Company and, in particular, its Articles of Association, financial statements and the reports presented to its Shareholders' Meetings by the Board of Directors and the Statutory Auditors may be consulted at the head office at 93, avenue de Paris, 91300 Massy, France.

These documents are also available on the Company's website: *www.carrefour.com*.

9.2 Person responsible

9.2.1 PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AND THE ANNUAL FINANCIAL REPORT

Alexandre Bompard, Chairman and Chief Executive Officer.

9.2.2 DECLARATION BY THE PERSON RESPONSIBLE FOR THE UNIVERSAL REGISTRATION DOCUMENT AND THE ANNUAL FINANCIAL REPORT

"I hereby certify that the information contained in this Universal Registration Document is, to the best of my knowledge, true and correct, and that there are no omissions that are likely to affect its import.

I hereby certify that, to the best of my knowledge, the financial statements were prepared in accordance with applicable accounting standards and give a true and fair view of the assets and liabilities, financial position and results of operations of the Company and of all the consolidated companies, and that the management report gives a true and fair view of the changes in the business, results and financial position of the Company and of all the consolidated companies, and that it describes the main risks and uncertainties to which they are subject."

March 28, 2024

Alexandre Bompard

Chairman and Chief Executive Officer

9.3 Person responsible for the financial information

Matthieu Malige

Chief Financial Officer

9.4 Persons responsible for auditing the financial statements

	Date of initial appointment	Date of last reappointment	Term of office[1]
PRINCIPAL STATUTORY AUDITORS			
Deloitte & Associés 6 place de la Pyramide, 92908 Paris la Défense Cedex, France Signatories: Bertrand Boisselier and Olivier Broissand	April 15, 2003	May 21, 2021	2027
Mazars 61, rue Henri-Régnault, 92400 Courbevoie, France Signatories: Jérôme de Pastors and Marc Biasibetti	June 21, 2011	May 26, 2023	2028

(1) Date of the Shareholders' Meeting called to approve the financial statements for the previous year ended December 31.

9.5 Information incorporated by reference

In accordance with Article 19 of EU Regulation no. 2017/1129 of June 14, 2017, as amended, this Universal Registration Document includes by reference the following information, to which the reader is invited to refer:

- for the financial year ended December 31, 2022: consolidated financial statements, Company financial statements and related Statutory Auditors' reports included in the Universal Registration Document filed with the French financial markets authority (*Autorité des marchés financiers* – AMF) on April 6, 2023 under number D. 23-0252, on pages 329 to 425, 426 to 428, 429 to 451 and 452 to 454 respectively;
- for the financial year ended December 31, 2021: consolidated financial statements, Company financial statements and related Statutory Auditors' reports included in the Universal Registration Document filed with the AMF on April 28, 2022 under number D. 22-0376, on pages 290 to 378, 379 to 382, 384 to 403 and 404 to 406 respectively.

The information included in the abovementioned Universal Registration Documents, other than that indicated above, is, where applicable, superseded or updated by the information included in this Universal Registration Document. The abovementioned Universal Registration Documents are available under the conditions described in Section 9.1 "Publicly available documents" of this Universal Registration Document.

9.6 Concordance tables

9.6.1 UNIVERSAL REGISTRATION DOCUMENT CONCORDANCE TABLE

Appendices I and II of the Commission Delegated Regulation (EU) 2019/980 of March 14, 2019	Chapter/Section no.
1/ Persons responsible, third-party information, statements by experts and approval by competent authorities	
1.1. Name and function of the person responsible	9.2, 9.3
1.2. Declaration by the person responsible	9.2
1.3. Information on the expert report	N/A
1.4. Third-party information	1
1.5. Statement of filing without prior approval from the competent authority	1st page
2/ Statutory Auditors	
2.1. Identity	9.4
2.2. Change, if any	N/A
3/ Risk factors	**4.1**
4/ Information concerning the issuer	
4.1. Corporate name and purpose	8.1.1
4.2. Place of registration, registration number and legal entity identification number (LEI)	8.1.1-8.1.2
4.3. Creation and term	8.1.3
4.4. Head office, legal form, applicable legislation, head office address and phone number, website	8.1.2-8.1.3
5/ Business overview	
5.1. Principal activities	1.4 6.6 (Notes 6.1, 6.1.2 and 6.5)
5.2. Principal markets	1.1.2-1.1.3, 1.2-1.4 5.1.2 6.6 (Notes 5.1 and 6.1.1)
5.3. Key events in the issuer's business development	1.5.1, 1.5.2, 1.5.3 5.3, 5.4.2, 5.4.6 6.6 (Notes 2, 3.2 and 16)
5.4. Strategy and objectives	1.1.6 5.3, 5.4.2 6.6 (Notes 2 and 3)
5.5. Issuer's dependence	6.6 (Note 14.7)
5.6. Competitive position	1.4.1
5.7. Investments	5.4.2, 5.4.5 6.6 (Notes 2 and 3.2)
6/ Organisational structure	
6.1. Brief description of the Group	1.1-1.6
6.2. List of significant subsidiaries	6.6 (Note 18) 7.4 (Note 12)

Appendices I and II of the Commission Delegated Regulation (EU) 2019/980 of March 14, 2019	Chapter/Section no.
7/ Review of financial position and earnings	
7.1. Financial position	5.2-5.6.6
7.2. Operating income	5.1
8/ Cash and cash equivalents and capital	
8.1. Information concerning capital resources	5.2.1-6.5 6.6 (Note 13), 7.4 (Note 7)
8.2. Cash flow	5.2.3 6.4
8.3. Borrowing requirements and funding structure	5.2.2-5.2.4 6.6 (Note 14)
8.4 Restrictions on the use of capital resources	5.2.5 6.6 (Note 14.2.4)
8.5. Anticipated sources of funds	5.2.6
9/ Regulatory environment	**4.1.1**
10/ Trend information	
10.1. Most significant trends since the end of the last financial year	5.3, 5.4.5
10.2. Events reasonably likely to have a material effect on prospects	5.3
11/ Profit forecasts and estimates	**N/A**
12/ Administrative, management and supervisory bodies and Executive Management	
12.1. Board of Directors and Executive Management	3.2-3.3
12.2. Conflicts of interest within the administrative, management and supervisory bodies and Executive Management	3.2.2.1
13/ Compensation and benefits	
13.1. Compensation and benefits in kind	3.4
13.2. Amounts provisioned or recorded for pensions, retirement benefits or other benefits	6.6 (Note 12.1)
14/ Operation of administrative and management bodies	
14.1. Expiration of current terms of office	3.2.1.1
14.2. Service contracts	3.1.2.3
14.3. Information on the Audit Committee and Compensation Committee	3.2.3
14.4. Statement on compliance with the applicable corporate governance regime	Introduction of 3/3.5
14.5. Potential material impacts on corporate governance	N/A
15/ Employees	
15.1. Number of employees and breakdown of the workforce	2.1.7
15.2. Director shareholdings and stock options	3.2.1-3.4.3 8.2.4
15.3. Arrangements for involving employees in the capital	2.1.7 3.4.4 8.3

Appendices I and II of the Commission Delegated Regulation (EU) 2019/980 of March 14, 2019	Chapter/Section no.
16/ Main shareholders	
16.1. Exceeding the threshold	8.3.1-8.3.2
16.2. Existence of different voting rights	8.1.4.5
16.3. Direct or indirect control	8.3.1
16.4. Arrangements that could result in a change of control if implemented	8.1.4.3
17/ Related-party transactions	**3.7** **6.6 (Note 9.3)**
18/ Financial information concerning the issuer's assets and liabilities, financial position and profits and losses	
18.1. Historical financial information	6 7
18.2. Interim and other financial information	N/A
18.3. Auditing of historical annual financial information	6.7
18.4. Pro forma financial information	N/A
18.5. Dividend policy	5.6.3
18.6. Legal and arbitration proceedings	4.3
18.7. Significant change in the issuer's financial position	5.4.3 6.6 (Note 16)
19/ Additional information	
19.1. Share capital	
19.1.1. Subscribed share capital	8.2
19.1.2. Other shares	8.2
19.1.3. Treasury shares	8.2
19.1.4. Marketable securities	8.2
19.1.5. Vesting conditions	8.2
19.1.6. Options or agreements	8.2
19.1.7. History of share capital	8.2
19.2. Memorandum and Articles of Association	
19.2.1. Corporate purpose	8.1
19.2.2. Rights and privileges of shares	8.1
19.2.3. Change in control	8.1
20/ Material contracts	**N/A**
21/ Documents available	**9.1**

9.6.2 ANNUAL FINANCIAL REPORT CONCORDANCE TABLE

Sections of Article L. 451-1-2 of the French Monetary and Financial Code (*Code monétaire et financier*)	Chapter/Section no.
1/ Company financial statements	**7.1 to 7.4**
2/ Consolidated financial statements	**6.1 to 6.6**
3/ Management report	
Analysis of change in sales	5.1
Analysis of results	5.1
Analysis of financial position	5.2
Foreseeable changes in the situation of the Company and of the Group	5.3
Principal risks and uncertainties	4.1.1
Capital structure and factors that could have an impact in the event of a public offer	N/A
Treasury share buybacks carried out by the Company	8.2.4
4/ Declaration of the person responsible for the annual financial report	**9.2.2**
5/ Statutory Auditors' reports on the Company financial statements and consolidated financial statements	**6.7**
6/ Corporate governance report	**3 and 8**

9.6.3 MANAGEMENT REPORT CONCORDANCE TABLE

Reference texts			Chapter/Section no.
		Comment on the financial year	
French Commercial Code (*Code de commerce*)	L. 225-100-1, L. 232-1, L. 233-6 and L. 233-26	Situation of the Company during the financial year and objective, comprehensive analysis of changes in the business, results and financial position of the Company and of the Group	5.1 to 5.4 and 5.6
French Commercial Code	L. 225-100-1	Key non-financial performance indicators relating to the Company's specific activity	2.4.1
French Commercial Code	L. 233-6	Significant acquisitions during the financial year of equity interests in companies whose head office is located in France	N/A
French Commercial Code	L. 232-1 and L. 233-26	Significant events between the financial year-end and the report preparation date	5.4.6
French Commercial Code	L. 232-1 and L. 233-26	Foreseeable changes in the situation of the Company and of the Group	5.3
French General Tax Code (*Code général des impôts*)	243 *bis*	Dividends distributed for the three previous financial years and amount of income distributed for these same financial years eligible for the 40% tax reduction	5.6.3
French Commercial Code	L. 441-6, L. 441-6-1 and D. 441-4	Information on the payment cycles of the Company's suppliers and customers	5.6.1

Reference texts			Chapter/Section no.
		Presentation of the Group	
French Commercial Code	L. 225-100-1	Description of the principal risks and uncertainties to which the Company is subject	4.1.1
French Commercial Code	L. 22-10-35	Financial risks related to the impact of climate change and presentation of the measures the Company has taken to reduce said impact by implementing a low-carbon strategy in all areas of its operations	2.1.3
French Commercial Code	L. 22-10-35	Main characteristics of the internal control and risk management procedures implemented by the Company relating to the preparation and processing of accounting and financial information	4.2
French Commercial Code	L. 225-100-1	Details on the Company's objectives and policy concerning hedges in each main transaction category for which hedge accounting is used	6.6 (Note 14.7.3)
		The Company's exposure to price, credit, liquidity and cash flow risks	4.1.2
French Commercial Code	L. 225-102-1	Social and environmental consequences of the business	2
		Collective bargaining agreements entered into by the Company and their impact on the Company's financial performance and employee working conditions	2.1.7.2
French Commercial Code	L. 225-102-2	If the Company operates a facility of the type referred to in Article L. 515-36 of the French Environmental Code (*Code de l'environnement*): ▪ description of risk prevention policy regarding technological accidents; ▪ report on civil liability insurance coverage for property and people and details on how the Company plans to ensure that victims are adequately compensated in the event of a technological accident for which the Company is liable (including "Seveso" facilities).	N/A
French Commercial Code	L. 225-102-4	Duty of care plan enabling the Company to identify risks and prevent serious violations as regards human rights and fundamental freedoms, health, safety, and the environment due to the Company's operations and those of its suppliers and subcontractors	2.2.1
French Commercial Code	L. 232-1	Research and development activities	5.6.4
		Information regarding corporate governance	
French Monetary and Financial Code	L. 621-18-2	Transactions involving the Company's shares carried out by executives and related persons	3.6
French Commercial Code	L. 225-184	Options granted to or subscribed or purchased during the financial year by the Company Officers and each of the top ten employees who are not Company Officers, and options granted to all employees, by category	8.2.4

Reference texts			Chapter/Section no.
		Information about the Company and capital	
French Commercial Code	L. 225-211	Details of purchases and sales of treasury shares during the financial year	8.2.4
		Information relating to treasury share buybacks carried out by the Company with a view to allocating them to employees and/or executives	8.2
French Commercial Code	R. 228-90	Possible adjustments for securities giving access to the capital in the event of buybacks of shares or financial transactions	N/A
French Commercial Code	L. 225-102	Report on employee profit-sharing as of the last day of the financial year, and proportion of capital represented by shares held by employees under the Company savings plan and by current and former employees under Company mutual funds	8.3.1
French Commercial Code	L. 464-2	Injunctions or financial penalties for anti-competitive practices	N/A
French Commercial Code	L. 233-13	Identity of private individuals or legal entities holding, directly or indirectly, more than one-twentieth, one-tenth, three-twentieths, one-fifth, one-quarter, one-third, one-half, two-thirds, eighteen-twentieths or nineteen-twentieths of the share capital or voting rights at Shareholders' Meetings	8.3.1 and 8.3.3
French Monetary and Financial Code	L. 511-6	The amount of loans due within less than two years granted by the Company on an ancillary basis to micro-enterprises, SMEs or middle-market companies with which it has economic ties justifying such loans	N/A
		Information related to the financial statements	
French Commercial Code	L. 232-6	Possible changes in the presentation of the financial statements and the valuation methods used	N/A
French General Tax Code	34.9 and 223 *quater*	Additional tax information	N/A
French Commercial Code	R. 225-102	Company earnings performance in the last five financial years	5.6.6

9.6.4 CORPORATE GOVERNANCE REPORT CONCORDANCE TABLE

Reference texts			Chapter/Section no.
		Compensation	
French Commercial Code	L. 22-10-8	Compensation policy for Company Officers	3.4.1, 3.4.2.1, 3.4.3.1 and 3.4.3.2
French Commercial Code	L. 22-10-9, L. 22-10-34 I, R. 22-10-14	Information about the Company's Executive Management and general management	3.4
		Information about compensation	
French Commercial Code	L. 225-37-4	List of all the Company Officers' positions and the duties they performed in any company during the financial year	3.2.1.3
French Commercial Code	L. 225-37-4	Related-party agreements entered into between a Company Officer or a shareholder holding more than 10% of the voting rights, and a subsidiary	3.7
French Commercial Code	L. 22-10-10	Description of the authorisation procedure for routine agreements entered into on an arm's length basis	3.7
French Commercial Code	L. 225-37-4	Executive Management's choice of management methods	3.1.1.1
French Commercial Code	L. 225-37-4	Summary of outstanding delegations of authority and powers granted by the Shareholders' Meeting to the Board of Directors concerning capital increases	8.2.2
French Commercial Code	L. 22-10-10	Composition of the Board of Directors, conditions of preparation and organisation of the Board of Directors' work	3.2
French Commercial Code	L. 22-10-10	Application of the principle of gender equality	3.1.2
French Commercial Code	L. 22-10-10	Limitations of powers of the Chief Executive Officer	3.1.1.2
French Commercial Code	L. 22-10-10	Reference to the Corporate Governance Code	3.1
French Commercial Code	L. 22-10-10	Specific rules governing shareholders' participation in Shareholders' Meetings	8.1.4
French Commercial Code	L. 22-10-11	Rules applicable to the appointment and replacement of members of the Board of Directors and to amendments of the Company's Articles of Association	8.1.4
French Commercial Code	L. 22-10-11	Powers of the Board of Directors, including in particular the issue or buyback of shares	3.1.1, 3.2.2 and 8.2.4
French Commercial Code	L. 225-185	Conditions under which options may be exercised and held by the Executive Officers	3.4.3
French Commercial Code	L. 225-197-1	Conditions under which performance shares granted to the Executive Officers may be held	3.4.3

Reference texts			Chapter/Section no.
		Information about the capital	
French Commercial Code	L. 22-10-11	Structure and change of the Company's capital	8.2, 8.3
		Factors that could have an impact in the event of a public offer	**N/A**
French Commercial Code	L. 22-10-11	Statutory restrictions about the exercise of voting rights and share transfers or contractual clauses brought to the Company's knowledge	N/A
French Commercial Code	L. 22-10-11	Direct or indirect interests in the Company's capital brought to the Company's knowledge	8.3
French Commercial Code	L. 22-10-11	List of holders of any security conferring special rights of control and description of these securities	N/A
French Commercial Code	L. 22-10-11	Control mechanisms provided under a possible employee share ownership scheme when the rights of control are not exercised by employees	N/A
French Commercial Code	L. 22-10-11	Agreements between shareholders brought to the Company's knowledge and which may result in restrictions on share transfers and the exercise of voting rights	N/A
French Commercial Code	L. 22-10-11	Agreements concluded by the Company that are amended or terminated in the event of a change in control of the Company, unless this disclosure would seriously harm its interests (except in cases of a legal obligation to disclose)	N/A
French Commercial Code	L. 22-10-11	Agreements providing for compensation to members of the Board of Directors or employees if they resign or are dismissed without real and serious cause or if their employment ends as a result of a public offer	3.4

9.6.5 NON-FINANCIAL PERFORMANCE CONCORDANCE TABLE

Components of the Non-Financial Statement	Chapter/Section no.
Business model	1.1.5
Main non-financial risks	2.1.1.2/4.1.2
Duty of care policy and procedures	2.1.1.2/2.2
Publication of Key Performance Indicators	2.2/2.4.1
Mandatory topics referred to in Article L. 225-102-1 of the French Commercial Code	
Social impacts of the business	2.1.6/2.2.3
Environmental impacts of the business	2.1.2/2.2.4.1/2.2.3
Respect for human rights(*)	2.1.5.2/2.2.3
Prevention of corruption(*)	2.1.5.5
Prevention of tax evasion(*)	2.1.5.5
Impact of the Company's business on climate change and the use of goods and services it produces	2.1.2.5/2.1.3
Social commitment to promoting a circular economy	1.3.1.3/2.1.2.4
Collective bargaining agreements entered into by the Company and their impact on its financial performance and employee working conditions	2.1.6.2
Social commitment to combating discrimination and promoting diversity	1.3.2.4/2.1.6.4/2.2.4.2
Measures taken to combat food waste	1.3.1.3/2.1.2.5/2.1.3.4
Measures taken to promote employment of the disabled	1.3.2.4/2.1.6.4
Social commitment to combating food insecurity	1.2.1/1.3.1.1/2.1.3.4
Social commitment to promoting animal welfare	1.3.1.1/2.1.5.6
Social commitment to promoting responsible, equitable and sustainable diets	1.3.1/2.1.4.2
Social commitment to sustainability	Chapter 2/1.3

(*) For listed companies.

CONTACTS

Groupe Carrefour Head Office
93 Avenue de Paris
TSA 55555
91889 Massy Cedex

Investor relations
investisseurs@carrefour.com

Shareholder relations
contact@actionnaires.carrefour.com

Shareholders' Club
73 rue d'Anjou
75008 Paris
Tel.: 0805 902 902
club@actionnaires.carrefour.com

Registered shareholders
Société Générale Securities Services
32 rue du Champ de Tir
CS 30812 44308 Nantes cedex 3
Tel.: +33 (0)2 51 85 67 89
Fax: +33 (0)2 51 85 53 42

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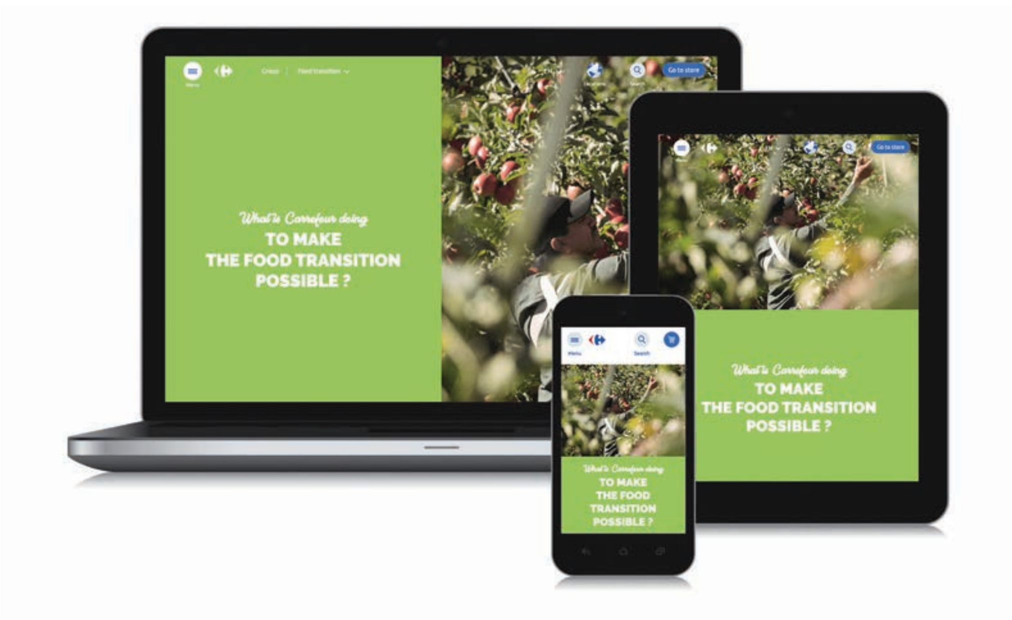

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Head office: 93, avenue de Paris — 91300 Massy
652 014 051 RCS Évry