



Boulogne-Billancourt, July 18, 2017

### **Communication of the Board of Directors**

The Board of Directors that met today took the following decisions regarding the compensation of Mr. Alexandre Bompard, the new Chairman and Chief Executive Officer of the Company as of today.

The Board of Directors has decided to maintain a structure of compensation identical to the one of Mr. Georges Plassat, as communicated on June 9, 2017.

It has decided as follows:

#### *Termination indemnity*

The Board of Directors has in particular decided that Mr. Alexandre Bompard will be eligible to a termination indemnity equal to the compensation received for one year (fixed and variable target compensation). The payment of this termination indemnity is subject to performance conditions based on achieving quantitative targets (growth in sales and recurring operating income) and qualitative targets (CSR). Accordingly, Mr. Alexandre Bompard will therefore benefit from a termination indemnity if, for at least half of his years in office as well as for two out of the three years prior to the end of his duties as Chairman and Chief Executive Officer, he fulfils all the quantitative and qualitative targets set by the Board of Directors for determining his long-term incentive plan (over 100% of the targets achieved). In the absence of a long-term incentive plan for one of the financial years considered, only the fulfilment of the targets set by the Board of Directors for determining his annual variable compensation will be taken into account. Notwithstanding, if the term of office of Mr. Alexandre Bompard ends before two years, the fulfilment of the quantitative and qualitative targets set out above will be appraised on the basis of the year preceding the expiry of the term of office.

The termination indemnity will be paid in the event his duties as Chairman and Chief Executive Officer end, for any reason whatsoever, except in case of dismissal for gross negligence or wilful misconduct or change of position within the Carrefour Group.

The payment of the termination indemnity is contingent on a non-compete commitment that will come into effect when Mr. Alexandre Bompard's duties as Chairman and Chief Executive Officer of Carrefour end. This commitment will last 18 months as from the time he leaves office and will aim at prohibiting the Chairman and Chief Executive Officer from working for a competitor in a similar capacity within a number of specified businesses operating in the food retail sector.

### *Supplementary defined benefit pension plan*

Moreover, the Board of Directors has decided that Mr. Alexandre Bompard will be eligible to a supplementary defined benefit pension plan benefiting to the main Carrefour Group's Executive Officers whose gross annual compensation is higher than 18 times the annual ceiling for Social Security contributions.

Plan membership is subject to fulfilment of the following cumulative conditions: to receive a gross annual compensation (fixed and variable target compensation) higher than 18 times the annual ceiling for Social Security contributions; to be employed by the Group when retiring in accordance with the common pension plan of the Social Security; to have completed at least three years of actual continued service within the Group; to have reached the age set out in Article L.161-17-2 of the French Social Security Code.

The reference compensation is the average of the gross annual compensation received within the Carrefour Group over the last three calendar years preceding the year of retirement. This average may not exceed 60 times the annual ceiling for Social Security contributions. In determining the reference compensation, only the annual base and the annual variable compensation paid are taken into consideration. Any other form of compensation is excluded, whether direct or indirect.

The amount of the annual pension supplement is equal to 2.75% of the reference compensation per year of service, subject to the performance conditions being met. The annuity is also calculated with deduction of any other annuities resulting from supplementary company schemes in force within Carrefour (annuities resulting from a PERCO plan or the wage financing of a pension plan are not taken into account).

The number of years of service retained for calculating the pension supplement will be that acquired by the Chairman and Chief Executive Officer within the Carrefour Group in his capacity as an employee or an Executive Officer.

The accrual of pension rights under this scheme is subject to performance conditions pursuant to Article L.225-42-1 of the French Commercial Code. Any given year is only taken into account in determining the amount of the annuity if it corresponds to a year during which the performance conditions were satisfied. Each year, the Board of Directors determines the applicable performance conditions that correspond, barring exceptions, to satisfying at least 80% of the quantitative performance conditions triggering the payment of the annual variable compensation to the Chairman and Chief Executive Officer. At the end of each year, the Board of Directors checks whether the performance conditions were satisfied during the year. If this is not the case, the year concerned is not taken into account when calculating the annuity.

Moreover, the allocation of a pension supplement implies that, for at least two-thirds of the years, the performance conditions have been validated during the Chairman and Chief Executive Officer's period of service within the Carrefour Group.

The cumulative amount of the gross annual annuity and of all the annuities from supplementary Carrefour Group retirement schemes cannot exceed 25% of the reference compensation. Moreover, the amount of the gross annual annuity cannot exceed the difference between: 45% of the reference compensation and the gross annual amount of all the base, compulsory top-up and supplementary pensions.

The Board of Directors will meet at the end of the duties of the Chairman and Chief Executive Officer in order to check whether the conditions set out above are met. If this is the case, he will automatically benefit from the pension supplement. If this is not the case, no pension supplement will be paid.