



# Business ethics

## Carrefour Group 2022

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# Introduction

This document centralises the Carrefour Group's ethical commitments, concerning both business relations with all stakeholders and the behaviour expected of all employees. The commitments and policies covered in the various sections apply to all of the Group's activities, in all integrated countries, including franchises .

This document sets out the Group's ethical principles and highlights its approach to 8 key issues in relation to its business: (i) Combating corruption, money laundering and the financing of terrorism, (ii) Gifts and entertainment, (iii) Conflicts of interest, (iv) Free competition, (v) Confidentiality of information and insider trading, (vi) Data protection, (vii) Management of political relations and lobbying, (viii) Tax management and compliance. It should be noted that the annexed documents, listed in the "Further information" section, provide a more detailed view of some of these topics.

For each of these areas, the Group presents the regulatory framework in which it operates, the commitments and policies arising from them, the actions required to comply with them and the indicators used to assess the Group's performance over time. This document is updated annually to reflect any regulatory or voluntary changes. Nevertheless, as part of an exemplary approach, it is expected that all actions carried out on behalf of the Group, by all employees, will always respect the most restrictive principle between the regulations in force locally and the commitments listed in this document.

As a retailer, Carrefour is in direct contact with many stakeholders and has a duty to maintain quality relations with its suppliers, producers, trade union representatives, public authorities, NGOs, investors, associations and customers.

More broadly, as part of its duty of care, the Group has a responsibility towards its direct and indirect stakeholders. Carrefour thus wishes to be irreproachable in its relations with its partners at all levels, and particularly in its business relations, in compliance with applicable regulations such as the General Data Protection Regulation (RGPD) or the Sapin II law on corruption, which intensifies the requirement to be a player that acts in compliance with the laws and regulations in force.

## Governance

As part of the responsible conduct of its business, Carrefour ensures compliance with the rules applicable to the transactions it carries out in all the countries in which it is established or in which the Group operates.

The Group Legal Department also plays a central role in monitoring and ensuring compliance with laws and regulations, which are also ensured at country level by the local Legal Departments.

### Governance of the Ethics Department :

The Carrefour Group Ethics Department has an ethics and compliance network made up of various players at different levels of the company. This network includes

- **A Group Ethics Committee**, comprising the Group General Secretary, the Group Human Resources Director, the Group General Counsel and the Group Ethics and Compliance Director. This Committee met four times during the 2022 financial year;
- An Ethics and Compliance Department, reporting to the France and Group Legal Departments, responsible for ensuring that the Carrefour Group complies with the law and for coordinating the ethics and compliance network in the various countries;

- **Ethics and Compliance Officers** in each of the integrated countries and BUs, who are responsible for ensuring that their respective entities comply with local regulations, taking into account sector-specific and/or local regulations and any other specificities, and for reporting to the Group all useful information relating to the local roll-out of the programme. In addition, these members of the ethics and compliance network lead the local ethics and compliance committees set up in each integrated country and BU, comprising the CEO, CFO, Human Resources Director, General Counsel and the ethics and compliance manager for the country or BU concerned;
- **employees**, who are the primary actors in compliance, so that the Carrefour Group can collectively comply with regulations on ethics and compliance.

In addition, the Compliance teams work closely with the Security and Internal Control teams, as well as with the operations teams, to ensure ever more effective reporting and management.

## Governance of data and information systems management

The **Personal Data Protection Department** oversees and manages the unit responsible for exercising rights under the RGPD. It also coordinates dialogue between the Group's various DPOs to harmonise practices and comply with local legislation and specificities.

The role of the **Information Systems Department (ISD)** is to develop and provide the entire company with high-performance IT tools tailored to our business. It is a key component of the company, enabling activities as fundamental as the delivery of goods to shops, cash collection, price calculation and the implementation of loyalty programmes.

## Governance specific to competitive practices

The **Legal Department in each country** and the **Group Legal Department** work closely with the **Merchandise** and **Non-Merchandise Purchasing Departments**.

The Legal Department is involved from the outset in preliminary discussions on the preparation of a number of strategic projects, as well as throughout the negotiation phase with commercial partners. It then draws up the contractual arrangements appropriate to the project in question. It is consulted during the execution of the project and before any decision is taken that could have an impact on the relationship with the partner.

In the model contracts drawn up by the Legal Departments in each country and signed with the Carrefour group's commercial partners, clauses on compliance with applicable laws and regulations and the Carrefour group's ethical principles are included.

# Carrefour's ethical principles

At Carrefour, doing our job well also means having a sense of responsibility and a professional conscience that enable us to discern the right behaviour and act in the general interest. The ethical principles set out the framework within which Carrefour conducts its business. They contribute to the dissemination and development of a culture of trust and integrity within the company.

These ethical principles help all employees and suppliers to think about the right attitude to adopt, particularly when faced with sensitive situations. The Ethical Principles are distributed to all Carrefour employees and signed by all new recruits. They also apply to all of the Group's suppliers and are disseminated through the supplier ethics charter attached to contracts. In addition to their application internally, these principles must also guide the relationship with the Group's suppliers and service providers.

As the Carrefour Group operates in many different countries and jurisdictions, the ethical principles set out here have an international dimension. The ethical principles that every employee, supplier and service provider must be aware of and respect include the commitments made in the Universal Declaration of Human Rights, the eight fundamental conventions of the International Labour Organisation (ILO), the guiding principles of the OECD, the UN Global Compact and the United Nations, and the international agreement with the UNI, which has been renewed in 2021. To ensure consistency across the Group, the ethical principles are applied in the same way in the 8 integrated countries (France, Spain, Italy, Belgium, Poland, Romania, Argentina and Brazil), always in line with the strictest national or regional regulations. The ethical principles form part of the Carrefour Rules, which are monitored and assessed each year by the Internal Audit department.

Our ethical principles are as follows respecting diversity, contributing to a safe and healthy working environment, favouring social dialogue, rejecting all harassment and discrimination, selecting and treating suppliers objectively and fairly, developing transparent commercial relations, honouring commitments to partners, refraining from any agreement or unfair practice, ensuring the safety of people and property, protecting the company's resources and assets, guaranteeing confidentiality, preserving the environment, acting with integrity, individually and collectively, providing reliable and accurate reporting, avoiding conflicts of interest and rejecting all forms of corruption.

In the event of a breach of one or more of the ethical principles, any Carrefour employee, supplier or service provider can report the matter via various channels. The Group's whistleblowing system consists of a website (<https://ethics.carrefour.com/>) and an outsourced telephone line. These are the channels set up by the Group to facilitate the identification of alerts. An employee or a stakeholder can also report an alert by email, to the compliance teams in the countries or via Human Resources. Carrefour employees are permanent points of contact for identifying any breaches of ethical principles.

In 2022, 5,909 alerts were received, the majority of which were reported via local ethical alert lines (82.3%), with the remainder reported via the hierarchy, by e-mail or by post.

## Types of alerts received

Alerts by category in 2022	Percentage of alerts received
Human resources (other than discrimination and harassment)	62.9% <sup>(1)</sup>
Other	13.6% <sup>(2)</sup>
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%
<b>TOTAL</b>	<b>100%</b>

(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.

## Types of alert escalation channels

Channels for receiving allegations - 2022	Number	%
Group alert line	60	1,0%
Local alert line	4862	82,3%
By email (anonymous or not)	277	4,7%
Directly from HR or Operations	129	2,2%
Initiative / data mining	279	4,7%
Other channels	302	5,1%
<b>Total</b>	<b>5909</b>	<b>100%</b>

# Combating corruption, money laundering and the financing of terrorism

## Regulatory framework

Bribery is the act of promising or offering (active bribery) or soliciting, accepting or receiving (passive bribery), directly or indirectly, for oneself or for another, undue advantages (offers, promises, gifts, presents, etc.) from or to anyone (public or private official), in order to carry out, refrain from carrying out or delay an act of (or facilitated by) one's function, mission or mandate or in breach of one's duties or obligations. Both bribery of public officials and bribery of private officials are prohibited. Bribery is established even if the bribery process is refused, interrupted or does not produce the desired effect.

Corruption, as defined in the Anti-Corruption and Influence-Peddling Policy, includes in particular bribes, facilitation payments, extortion or solicitation or the laundering of the fruits of these practices.

Influence peddling is the act of making, offering or promising, directly or indirectly, payments or benefits of any kind to a public official or a private individual so that they abuse their real or supposed influence in order to obtain a favourable decision from a public authority or administration.

Any person holding an administrative, legislative, judicial or political position of any kind may be considered a public official.

Corruption is a criminal offence, heavily punished in most countries of the world by national legal provisions, international conventions and laws with extra-territorial scope, such as the US Foreign Corrupt Practices Act (FCPA), the UK Bribery Act (UKBA) and the French Penal Code.

In recent years, anti-corruption laws have been significantly strengthened, and numerous national and international prosecutions have been initiated, with increased powers of investigation and sanctions for the supervisory authorities.

The number of convictions of companies and individuals (managers and employees) has multiplied since 2010, with very significant financial, legal and reputational consequences.

The "Sapin 2" law adopted on 9 December 2016 significantly strengthened France's anti-corruption measures. It requires large companies to put in place measures to prevent corruption and created a French Anti-Corruption Agency, responsible for monitoring their effective implementation, and endowed with sanctioning powers.

## The Group's commitment

The Carrefour Group's management bodies are fully committed to this policy, and have zero tolerance for any form of corruption or influence peddling. In recent years, this commitment has been demonstrated by Alexandre Bompard and Laurent Vallée speaking in all the Group's countries on International Anti-Corruption Day on 9 December 2021. In 2022, new videos of Executive Committee members were broadcast on International Anti-Corruption Day in all countries, including videos of all country CEOs filmed in the local language.

The principles of action and behaviour are in line with the Carrefour Group's commitments to respect and promote fundamental principles, in particular the OECD guidelines and the ten principles of the UN Global Compact. Carrefour provides its employees with appropriate instructions and training to identify and manage any risks of corruption. Carrefour undertakes to allow its employees to report any violation of the law in complete confidentiality.

## In particular, the Group undertakes to :

- Strictly comply with anti-corruption regulations in France and in the countries in which it operates; in this respect, the Law on Transparency, Combating Corruption and Economic Modernisation of 9 December 2016 has strengthened, in France, the requirements for companies in the fight against corruption ;
- Reject corruption in all its forms and promote honest and transparent practices;
- Deploy a continuous improvement approach to detecting and preventing the risks of corruption, in particular through training and awareness-raising initiatives;
- Penalise reprehensible or non-compliant practices ;
- Employees must refrain from any form of corruption, whether direct or indirect, as well as any act of complicity in corruption. Any breach of this obligation may result in disciplinary action, up to and including dismissal, as well as prosecution.
- Carry out a specific analysis of any past corruption risks or practices of the target or the envisaged partner (and penalties where applicable) before entering into an agreement for a new business, an acquisition or a joint-venture partnership.

The Carrefour Group's commitments are covered by the Code of Conduct and the Charter of Commitment for Suppliers of Controlled Products. Through these documents, Carrefour provides a framework for the activities of employees, suppliers and subsidiaries on the subject of corruption.

## Action plans

Carrefour has built its ethics and compliance programme around the following pillars in order to give concrete form to its approach while meeting the requirements of the various applicable laws:

- **Corruption risk mapping:** the Carrefour Group's corruption risk mapping for each of its major business sectors (Retail, Property, Banking and Insurance) was completely overhauled in 2020 and is regularly updated in all the Group's integrated countries. In addition, during the 2022 financial year, the scope of the risk mapping was extended and now includes new Group activities;
- **Policy and procedures:** Carrefour has a Policy to combat corruption and influence peddling, illustrating it with concrete situations. This policy establishes the reference framework within which each employee must carry out his or her duties on a daily basis, in all Carrefour subsidiaries and integrated countries. In addition, other policies and procedures supplement this general policy in order to provide employees with practical tools to support their operations and projects, in particular: the gifts and invitations policy, the responsible lobbying charter, and the principles and rules applicable to the Carrefour Foundation's sponsorship and emergency aid operations. In addition, all employees involved in a purchasing or selection process are required to sign a declaration of independence every year, the aim of which is to inform Carrefour of any conflicts of interest so that they can be better managed;
- **training and awareness-raising:** a comprehensive training and awareness-raising plan has been drawn up and deployed for the functions most at risk (face-to-face or remote meetings), as well as for less exposed functions (e-learning). By the end of 2022, 95.59% of the employees most at risk of corruption identified for the year 2022 had been trained. More than 80,000 employees in 2022 (24% of the Group's employees) had taken the e-learning available for employees at lower risk of corruption;

- **third-party assessment procedure:** the Group has developed a global third-party assessment solution, which was rolled out in 2022 for all activities in France. This solution is also being rolled out in the Group's integrated countries. These prior checks concern all third parties with whom the Group plans to enter into a commercial relationship (suppliers, consultants, franchisees, acquisition targets, etc.). The degree of verification required depends on the risk profile of the third party concerned and any specific risks identified during the assessment of that third party. In certain specific cases, requests for additional information are sent to the third parties concerned in order to obtain more information and to carry out further due diligence on the basis of this information. In order to assist operational staff and compliance officers who may be required to assess third parties, Carrefour works with an external service provider specialising in the assessment of third parties. In addition, a Supplier Ethics Charter is communicated to suppliers and appended to commercial contracts;
- **alert system:** a global outsourced alert system was set up in 2016 in all countries, available 24/7 via the Internet ([ethique.carrefour.com](http://ethique.carrefour.com)) or by telephone. This system enables all Group employees and external partners (in particular suppliers and customers) to report any suspicion of unethical practices, including discrimination or harassment, personal health and safety, theft, fraud and embezzlement, corruption and conflicts of interest, and environmental damage. In 2022, 5,909 alerts were received by the Group, the majority of which concerned HR issues (excluding discrimination and harassment);
- **controls:** a series of accounting control procedures help to prevent acts of corruption. In addition, the Internal Control and Internal Audit teams carry out annual controls and audits of the various pillars of the Group's compliance programme in all countries. These teams formulate recommendations and action plans to improve the Carrefour Group's ethics and compliance programme.

## Performance

Indicators	Units	2020	2021	2022	Evolution 2022/2021
Percentage of staff at risk trained in anti-corruption issues	%	61%	98,6%	95,6%	(3) pts
Percentage of least-at-risk employees trained in anti-corruption issues	%	-	-	24%	-
Number of least-at-risk employees trained in anti-corruption issues	Number	-	80 000	80 000	-
Number of alerts received via the Ethics Line	Number	-	5 024	5 909	17,6%
Number of alerts raised with corruption observed	Number	-	50	73	46%



# Gifts and invitations

## Regulatory framework

The French Anti-Corruption Agency has drawn up a guide to help implement policies on the management of gifts and invitations in companies, public-private partnerships, associations and foundations. In particular, this guide defines the rules for offering or accepting a gift or invitation, which Carrefour has used to structure its gifts and entertainment policy for the Group.

If an organisation chooses not to prohibit gifts and entertainment, it must establish rules to control the corruption risk identified and assessed in its risk mapping. These rules may be different for gifts, on the one hand, and invitations, on the other. Within each of these two categories, the rules may be adapted according to the type of gift or invitation. For example, specific rules can be defined for sporting and cultural hospitality.

In addition, Carrefour has decided that when the organisation owns a subsidiary or carries out operations abroad, it may set specific rules applicable to employees working there, in order to take account of the local context and customs.

Gifts and invitations can take a variety of forms, for example invitations to a restaurant, a trade fair, a sporting or cultural event, etc. They can be given or received by the organisation itself or by one of its employees. They may be offered or received by the organisation itself or by one of its employees. For the purposes of this Group procedure, gifts and entertainment can take three different forms:

- Gifts: generally objects of value given or received by employees. They may be consumer goods, promotional items, discounts or cash;
- Benefits: generally advantages or promises of advantages that an employee receives. They are often less specific or direct than a gift, and may include preferential treatment, a job, a service or invitations to events;
- Hospitality: meals, drinks, travel and accommodation expenses offered or received by the organisation itself or by one of its employees.

Gifts and invitations are ordinary acts of business and do not in themselves constitute acts of corruption.

The offer or acceptance of a gift or an invitation may, in certain circumstances, constitute an act of corruption. This is the case when its purpose is to determine the performance or non-performance of an act by a person, in disregard of their legal, contractual or professional obligations.

## The Group's commitment

Carrefour wishes to limit the number and value of gifts and invitations offered or received by its employees.

Any gift or invitation, whether received or offered, must be of an occasional and reasonable nature, with a strictly professional objective of promoting Carrefour's activities, with the possibility of reciprocity, in compliance with applicable regulations, and with total transparency vis-à-vis the hierarchy. Any offer of a gift, invitation or other form of privilege must be approved by the Ethics Department before acceptance, in order to guarantee that there is no risk of corruption and that the principles of integrity and transparency are respected.

Everyone has a duty to act in such a way that a neutral observer cannot doubt the honesty, independence or objectivity of either the donor or the beneficiary.

The Carrefour Group's principles and rules on gifts and invitations apply within each entity:

- corporate officers ;
- employees ;
- occasional employees (temporary workers, work-study students, trainees, volunteers, etc.);
- external collaborators (service providers, auditors, statutory auditors, etc.).

# Action plans

## Carrefour has implemented the following actions:

### 1. Under no circumstances may gifts or invitations be used for any of the following purposes, failing which they will be deemed to constitute bribery:

- Obtaining undue consideration or advantage;
- Influencing a public official, supplier, business partner or other third party;
- Obtaining, retaining or renewing an advantageous contract or clauses;
- Obtaining a licence or regulatory approval;
- Partial or total exemption from the payment of fees, taxes or fines;
- To obtain information about a competitor's bid or about a current public procurement procedure;
- Speeding up procedures such as granting visas, issuing official approvals, granting customs releases and other similar procedures.

### 2. What can be accepted :

- A simple, occasional meal at a reasonable cost, in line with the Group's internal rules on meals;
- Low-cost, symbolic seasonal gifts that need to be pooled and redistributed, for example as part of a tombola;
- Small gifts of promotional items.

### 3. Which means you need to be vigilant:

- Occasional attendance at cultural or sporting events at a reasonable cost (plays, concerts, etc.);
- Gifts given or received for special occasions (end-of-year celebrations, births, weddings, etc.);
- Any participation in a professional seminar as a Carrefour representative, with accommodation and transport paid for.

### 4. What is prohibited?

- Prohibited gifts and invitations must be refused and returned to the donor, making reference to Carrefour's ethical principles;
- Any gift or invitation is considered unacceptable and strictly forbidden:
  - Illegal under local, national or extraterritorial laws and regulations;
  - Who contravenes the rules to which the recipient is subject, in particular when the recipient is a public official;
  - To a public official or authority;
  - Received or offered :
    - During a referencing or tender process;
    - Before signing contracts ;
    - Before issuing certificates ;
    - Before granting authorisations ;
    - Before a vote.
  - To sporting or cultural events, in particular by covering accommodation and/or transport costs that may be considered excessive in the context of professional activity;
  - Which benefits a close friend or family member of a Carrefour employee;
  - Any gift or paid invitation to seminars of a professional nature and/or participation in professional seminars where third parties pay for expenses (transport, accommodation, etc.) that may be considered excessive in the context of the professional activity;
  - Sent to his home address ;
  - Which must be kept confidential, in particular with regard to colleagues or management;
  - Which would embarrass Carrefour if mentioned publicly;
  - Corresponds to services provided by the company free of charge or at a value below the market price charged by the company;
  - Which can be considered excessive in the context of professional activity;
  - Of an offensive nature, or contrary to the dignity of the person (sexual favours, etc.).
- Regular gifts of small value over a period of time can have the same effect as a single gift of larger value. Given the risk of this situation, any Carrefour Group employee receiving a second gift or invitation from the same third party in the last twelve months must obtain the agreement of his or her line manager, regardless of the value.

# Conflicts of interest

## Regulatory framework

Neither the law nor case law defines conflict of interest in the private sector. The only existing legal definitions concern the public sector. Law no. 2013-907 of 11 October 2013 on transparency in public life defines a conflict of interest as “any situation of interference between a public interest and public or private interests that is likely to influence or appear to influence the independent, impartial and objective exercise of a function” (Art. 2, 1<sup>o</sup>). Similarly, the Organisation for Economic Co-operation and Development (OECD) defines a conflict of interest as “a situation in which a public official has a personal interest of such a kind as to influence or appear to influence the impartial and objective performance of his duties”.

No legal text defines conflict between private interests. However, as conflicts of interest between private parties are just as likely to expose an organisation’s activities to the risk of corruption, the approach should not be restricted solely to relationships involving public interests.

Conflicts of interest may be public, private, personal or professional. Conflicts of interest are not illegal, but they can lead to situations that jeopardise the integrity of the Carrefour Group.

Carrefour’s Code of Professional Conduct defines conflicts of interest as: “A situation in which an employee’s interests or those of persons close to the employee may conflict with those of the company or the Group or may impair the employee’s independence of judgement or professional integrity”. There are three types of conflict of interest for an employee:

- “actual or real conflict”, when the performance of his duties is influenced by his private interests or those of persons close to him
- “foreseeable or potential conflict”, when the performance of his duties could be influenced in the future by his private interests or those of persons close to him.
- “Perceived or apparent conflict”, when the performance of one’s duties appears to be influenced by one’s private interests or those of people close to one, without this necessarily being the case.

A conflict of interest can create an appearance of impropriety likely to affect confidence in the employee’s ability to assume responsibility, even in the absence of proof of prejudicial acts. Just because a decision may affect the personal interests of the person making it does not necessarily mean that there is a conflict of interest. For such a situation to arise, the employee’s personal interest must actually be likely to influence or appear to influence his or her decisions.

## The Group's commitment

As stated in the Code of Professional Conduct, strict compliance with the law is a fundamental principle. First and foremost, all employees must ensure that they do not engage in any activity, behaviour, agreement or partnership that might involve them, other Group employees or any third party in a practice that does not comply with the law.

In the event of any doubt, difficulty in assessing, understanding or applying a regulation or legal issue, management or the Legal Department must be consulted and its opinion or decision taken into account.

The development of fair and transparent commercial practices is also an important element, with the customer's interests as our primary and constant concern. All the Group's suppliers and service providers must therefore be selected and treated objectively and fairly, within a framework of transparent commercial practices and respect for commitments.

Everyone must also be familiar with the internal control rules applicable to their function within the Group.

Separation of duties and regular rotation of staff in sensitive positions are two essential elements. Questioning and common sense are also simple ways of avoiding and preventing conflicts of interest.

## Action plans

When a conflict of interest situation is identified, the measures taken to mitigate or eliminate a conflict of interest will depend on the seriousness of the situation.

The Code of Professional Conduct states: "When an employee is faced with the risk of a conflict of interest, he or she must immediately inform his or her superiors and refrain from interfering in Carrefour's relations with the third party concerned.

In the case of an employee of the company, the situation must be examined by his or her line manager in conjunction with the Human Resources Manager. In the case of an employee with SD or expatriate status, the situation should be examined by the Reference Ethics Committee.

Preventing conflicts of interest means first of all disclosing them: Transparency and vigilance are the two keys to preventing conflicts of interest.

- Transparency in the context of the duty of loyalty towards Carrefour by declaring any conflicts of interest that may affect it, and by clarifying any situations on which there may be doubt.

The fact that an employee is in such a situation is not necessarily detrimental to the company. However, the fact that this situation is not known makes it impossible for the company to take appropriate action if necessary.

Many conflict of interest situations can be avoided if they are fully disclosed and appropriate steps are taken to resolve the situation. You can disclose potential conflicts to your line manager, your HR contact or your ethics committee. A declaration of interests form is also available to enable each employee who is particularly exposed to fulfil his or her obligation to disclose a potential conflict of interest.

- This means being aware of the problem and asking the right questions at the right time, i.e. before entering into discussions, negotiations or making a decision. If you are in any doubt, you should discuss the matter with your line manager or the person in charge of human resources or ethics.

Measures should be taken in consultation with the person concerned, using common sense, pragmatism, independent judgement and proportionality. Possible measures include the following:

- restricting a person's participation (for example, by no longer being involved in the decision-making process),
- the transfer to another person or to a third party of functions related to the conflict,
- renouncing private interests. In the event of a serious conflict, the individual may choose to renounce his or her private interests, such as membership of the board of another organisation that is the source of the conflict.
- resignation from office.

Each individual is responsible for managing conflict of interest situations to ensure that conduct in the workplace and decision-making throughout the Carrefour Group are not subject to the influence of conflicting interests.

The application of these rules is based strictly on sound judgement and common sense, and respects the principles of the Code of Professional Conduct,

- by providing clear answers to conflict situations;
- by assessing whether the act, which tends to satisfy personal interests, gives the person concerned an advantage and has a prejudicial effect on Carrefour;
- confirming to the person concerned the need, where appropriate, to refrain from any interference in the relationship, negotiations or decision.

It is up to each individual to assess for themselves whether their situation is likely to put them in a conflict of interest, especially as this concept is evolving. They must therefore :

- be familiar with the principles of preventing and managing conflicts of interest,
- report any conflicts of interest of which they are aware,
- respecting and implementing decisions to resolve conflicts of interest,
- declare any significant change in your situation.

## Free competition

### Regulatory framework

Competition law brings together all the laws and regulations designed to ensure compliance with the principles of free and fair trade and industry. Competition policy helps to boost productivity, increase consumer choice and improve the quality of goods and services at the best price.

In Europe, the competition law applicable in each country is derived from European law. These rules are embodied in Articles 101 to 105 of the Treaty on the Functioning of the European Union (TFEU) as regards the law on anti-competitive practices. In April 2019, a directive on unfair commercial practices in business-to-business relations within the agricultural and agri-food chain established a minimum standard of protection against unfair commercial practices in Europe. Each country is also free to introduce its own specific supplementary rules.

Such harmonisation is a source of legal certainty because of the uniformity of the framework and basic rules applicable in each European country. Outside Europe (Brazil and Argentina in particular), the rules on anti-competitive practices are relatively similar.

Carrefour is committed to respecting all these rules in its commercial relations with its various partners (franchisees, suppliers, service providers, ...). The Group ensures that it maintains high-quality, transparent and fair relations with its various commercial partners and that it enters into balanced agreements that comply with the applicable laws and regulations, particularly competition law.

The confidentiality of the information exchanged is also strictly respected and rigorously monitored and supervised.

## The Group's commitment

Carrefour is committed to respecting the rules of competition law in its commercial relations with its various partners (franchisees, suppliers, service providers, etc.). Carrefour ensures that it maintains high-quality, transparent and fair relations with its various commercial partners and that it enters into balanced agreements that comply with the applicable laws and regulations, in particular the rules of competition law. The confidentiality of information exchanged is also strictly respected and rigorously monitored and supervised.

The Carrefour Group is committed to :

- Comply with applicable national, European and international laws,
- To develop and maintain loyal, transparent and trusting relationships with the Carrefour Group's commercial partners,
- Maintaining total independence in the Group's decision-making process,
- Maintaining balanced relationships with partners of different sizes,
- Ensure compliance with confidentiality rules.

## Action plans

Carrefour has set up specific training courses on compliance with competition law, which are provided regularly by the Legal Departments of each integrated country, mainly for the most exposed employees.

For France :

- New recruits to exposed positions are enrolled in a compulsory training programme that includes a course on competition law;
- More specific and targeted training is provided to support the implementation of purchasing alliances;
- All employees must comply with a Code of Professional Conduct, which sets out, among other things, the principles of confidentiality and compliance with competition law;
- These principles are relayed to the Group's commercial partners, in particular in the Carrefour Ethics Charter for its suppliers, which they are asked to sign;
- The model contracts drawn up and distributed by the Legal Departments of each integrated country include clauses on compliance with applicable laws and regulations, including competition law. These model contracts are regularly updated to take account of changes in these rules. In this way, each Legal Department provides the various Operational Departments with appropriate and secure contractual tools;
- A legal monitoring system has been set up by each Legal Department to anticipate any changes to the regulatory framework in which Carrefour conducts its business and to inform the Departments concerned in order to understand their impact.

## Performance

The effectiveness of the system put in place is measured mainly by :

- Litigation and investigations are monitored by each local Legal Department, with support from the Group Legal Department for the most significant cases,
- A list of all the training courses provided by the Legal Departments in each country,
- A system of external assessment of the quality of the commercial relationship by the Carrefour Group's commercial partners,
- The Group's Internal Control programme.

# Confidentiality of information and insider trading

## Regulatory framework

Insider dealing is a practice that is prohibited in France by the Monetary and Financial Code, Section 1: Infringements of market transparency, Articles L465-1 and L465-2, and in Europe by Regulation (EU) No. 596/2014. Insider dealing, also known as insider trading or the use of inside information, is the practice of using information that has not been disclosed to the public and is punishable by imprisonment and financial penalties.

## The Group's commitment

All confidential or sensitive non-public information, of whatever nature and on whatever medium, must be protected, even in the absence of a formal obligation of confidentiality or secrecy, whether it relates to the Group, its employees or third parties (in particular partners, customers, suppliers, service providers). Such information may be of a financial or accounting nature, or relating to commercial strategy, marketing, development, innovation, products, processes, rates, prices or costs, or relating to commercial partners, acquisition or divestment projects, employees or current disputes or litigation.

The intentional or unintentional dissemination, directly or indirectly, of confidential or sensitive information is likely to be prejudicial to the Group in that it may affect its competitiveness and also lead to malicious or unfair competition. It may also constitute a breach of confidentiality undertakings given by the Group to third parties or create a situation of insider trading. Every precaution must therefore be taken to ensure the protection of confidential or sensitive information and its safekeeping.

The listing on regulated markets of the shares and other financial instruments of certain Group companies, in France and abroad, requires strict compliance with the applicable regulations on the use of inside information, the prevention of potential breaches by holders of inside information and the supervision of transactions in the shares of listed Group companies. Trading directly or indirectly in the shares of a listed Group company using inside information, either on one's own behalf or on behalf of a third party, is not only contrary to the Group's rules of conduct but is also illegal and constitutes insider dealing, particularly in France.

Insider dealing is a criminal offence punishable by heavy fines and imprisonment, whether the transaction was carried out during or outside working hours and/or using technical or IT resources belonging to the company or not. Inside information is specific, non-public internal information about a company that is likely to have a significant upward or downward impact on the share price.

# Action plans

Carrefour has implemented the following actions:

## 1. Confidentiality of information

- Compliance with the rules and procedures in force within the Group relating to the distribution, storage, reproduction and destruction of documents and/or information media;
- Compliance with IT security rules ;
- Exchanges of confidential or sensitive information are restricted to the professional context;
- Prohibition on disclosing confidential or sensitive information to third parties outside the Group, including after leaving the Group for any reason whatsoever;
- Prohibition on using personal email accounts for business purposes, on using document sharing platforms other than those accepted by Carrefour to share documents and on using unapproved or public file sharing websites;
- Any conversation in a public or private place where an uninvolved third party is likely to overhear must be restricted to what is strictly necessary, and confidential or sensitive information must not be communicated;
- Prohibition on leaving documents (on any medium, including paper, electronic, etc.) containing confidential or sensitive information in a public or private place where this information could be read or discovered;
- Restrict consultation and access to confidential or sensitive information on laptops to a private and isolated area and avoid inadvertently communicating confidential or sensitive information;
- Use of a privacy filter on the screen when using the laptop in a public place ;
- Prohibition on communicating or using confidential or sensitive information for personal gain or advantage or otherwise than in the course of one's duties within the Group;
- Obligation to check with the Legal Department that a confidentiality agreement must be signed before any confidential or sensitive information is communicated to a third party;
- Obligation to inform the compliance officer in the event of disclosure, inappropriate handling or loss of confidential or sensitive information;

## 2. Insider trading

- Addition to the list of persons in possession of insider information when the work requires such information and notification of the compliance officer;
- Prohibition on disseminating false information or engaging in other activities designed to manipulate the price of a company's securities;
- If you hold insider information on a listed Group company (or on any other company) :
  - Prohibition of any stock market transaction, directly or indirectly for its own account or for the account of a third party, involving the shares or securities of this company as long as the information has not become public;
  - Prohibition on inciting or recommending any person to carry out such a stock exchange transaction ;
  - Obligation to observe the strictest confidentiality regarding information as long as it is not public and prohibition on communicating it to any third party, including colleagues, friends and family members.
- Each of the Group's listed companies has its own rules of stock market ethics arising from the stock market legislation or regulations applicable to it. If you have any doubts about whether a piece of information is privileged, contact the compliance officer or the ethics committee appointed for this purpose by the entity concerned.



# Data protection

## Regulatory framework

The protection of personal data is a key issue for Carrefour. The Group's compliance is an opportunity to strengthen the relationship of trust with Carrefour's customers, employees and partners as part of a more global approach to digitising the company in compliance with applicable regulations.

The protection of personal data guarantees the data subject an individual right of control over the collection, processing, use, distribution and storage of data concerning him or her. This data must be used fairly for a precise, explicit and legitimate purpose and only be kept for as long as is necessary for the purpose of processing.

Non-compliance represents an image risk for consumer customers and a regulatory risk amounting to 2 to 4% of sales (under the General Data Protection Regulation - GDPR).

## The Group's commitment

Carrefour is rolling out a compliance plan for the General Regulation on the Protection of Personal Data (RGPD). This plan is common to the Group's various integrated countries, all service lines and activities, and extends to franchisees. Regular exchanges take place between the various DPOs under the aegis of the Group to harmonise practices but also to respect local legislation and specificities.

## Action plans

Carrefour has developed a continuous monitoring plan covering all the points of attention in the RGPD to ensure a level of follow-up and, where necessary, ongoing remediation.

The compliance programme includes

- application of the general personal data protection policy;
- management of consents; drawing up and updating data processing registers covering all data processing operations;
- setting up a system for handling requests to exercise rights, so that a response can be given within the legal timeframe;
- implementing a training plan; implementing a data retention policy;
- the deployment of a network of RGPD correspondents in accordance with CNIL recommendations;
- the presence of a DPO in each country to deal with all personal data protection issues and provide support to the business units in the country concerned;
- keeping a register of incidents and data breaches in accordance with the RGPD, making it possible to monitor the various incidents, qualify them from a legal point of view, and assess whether they should be notified to the CNIL and/or communicated to the people concerned;
- reporting tools from integrated countries or BUs to the Group.

Audits are carried out by external third parties every 2 years.

When collecting and processing consumers' personal data, Carrefour France attaches importance to respecting the following principles:

- 1. Lawfulness:** consumers' personal data is collected for specified, explicit and legitimate purposes and on an appropriate legal basis;
- 2. Transparency:** consumers are informed of each processing operation carried out by the Group and the characteristics of these operations by means of information notices, and no processing of consumers' personal data is carried out without their knowledge;
- 3. Minimisation:** the Group undertakes to collect and process only the personal data concerning consumers that is strictly necessary for the objective pursued and to update it regularly;
- 4. Data protection by design and by default:** when developing, designing, configuring and using applications, services and products that rely on the processing of personal data, Carrefour takes into account your right to the protection of personal data and the Group checks with its partners that they comply with legal requirements and effectively ensure the protection of personal data that will be processed;
- 5. Security of personal data:** Carrefour has implemented technical and organisational measures, adapted according to the degree of sensitivity of the personal data collected, to ensure the integrity and confidentiality of your personal data and to protect it against any malicious intrusion, loss, alteration or disclosure to unauthorised third parties. In particular, the Group uses encryption and/or pseudonymisation techniques for consumers' personal data whenever this is possible, useful or necessary;
- 6. Commitments of our service providers and partners:** the Group chooses its subcontractors, service providers and partners with care and requires them to: (a) ensure a level of protection of consumers' personal data equivalent to that of the Group, (b) use consumers' personal data only to the extent necessary to provide the services that Carrefour has entrusted to them, (c) comply with the Personal Data Regulation.

In addition to the Group's consumers, the persons concerned by the processing carried out by Carrefour are the users of the site and the members of the "Ma carte Carrefour" loyalty programme.

## Performance

Indicators	Units	2020	2021	2022	2022/2021
Number of countries/entities with a Data Protection Officer	Number	8/8	8/8	7/7	-

# Managing political relations and lobbying

## Regulatory framework

Since 1 July 2017, socio-economic players seeking to influence the content of a public decision by entering into communication with a public official have been required to register in the directory of interest representatives accessible on the [www.hatvp.fr](http://www.hatvp.fr) website, and to declare their lobbying activities and the resources devoted to them. Ethical rules provide a framework for relations between interest representatives and public officials, with a view to developing responsible lobbying. At European level, there are also rules specific to lobbying activities in the context of public decision-making, which were drawn up by the European Committee on Legal Cooperation (CDCJ) between May 2015 and September 2016. The CDCJ approved the text at its 91st meeting (16-18 November 2016) before submitting it to the Committee of Ministers for adoption. The Recommendation (CM/Rec(2017)2) was adopted on 22 March 2017.

## The Group's commitment

The commitment of the Carrefour Group and its management bodies to responsible lobbying is based on four pillars: integrity and transparency, ethical principles, total political neutrality and ongoing dialogue with stakeholders.

**Integrity and transparency.** The Carrefour Group complies with the legal obligations relating to the representation of interests, in particular those laid down by :

- French Law 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernisation of economic life, in particular Article 25 on the declaration of interest representation actions with French public officials on the digital directory of the Haute Autorité pour la Transparence de la Vie Publique (HATVP);
- French law 2013-907 of 11 October 2013 on the transparency of public life;
- the Decree of 9 May 2017 on the digital directory of interest representatives amending Article 18 of Law 2013-907 of 11 October 2013 on transparency in public life.

Carrefour Group employees acting as interest representatives to public authorities are identified in a dedicated internal register that is regularly updated and expressly state that they speak on behalf of the company during their institutional contacts.

Each year, the Carrefour Group's interest representatives declare their influential communication actions towards public officials at national level to the Haute Autorité pour la Transparence de la Vie Publique (HATVP). The Carrefour Group keeps a register of meetings of interest representatives with public officials.

Employees who represent interests at national level must inform their superiors in the event of any actual or potential conflict of interest that could affect the relationship between the Carrefour Group and public decision-makers involved in public policy decision-making.

The Carrefour Group respects the obligations arising from the codes of conduct of the professional and trade organisations of which it is a member. The Carrefour Group promotes the adoption of best practice in lobbying within the professional associations in which it participates.

Any person who is aware of situations or behaviour that contravene the Carrefour Group's ethical principles can report them confidentially 24 hours a day, 7 days a week via the alert channel <http://ethique.carrefour.com>. The Carrefour Group undertakes to handle all the reports it receives in accordance with the law.

**Ethical principles and the fight against corruption.**

Through its Ethical Principles, the Carrefour Group has defined a framework within which Group employees must carry out their professional activities on a daily basis.

**Relations with public authorities.** The Carrefour Group interacts with the public authorities in the countries where it operates, in compliance with local legislation.

The Carrefour Group does not make any contributions to political parties, politicians and related institutions raising political funds.

**Dialogue.** The Carrefour Group encourages dialogue with national and local public authorities, as well as with civil society stakeholders (trade unions, NGOs, citizens' associations, etc.). This dialogue is open and there are no strings attached to any action that may be taken.

The Carrefour Group has set up a Responsible Lobbying Charter to :

- avoid any contradiction with public international conventions such as those of the United Nations, the ILO and the OECD. This charter is a counterpart to the ethical principles and therefore shares a common frame of reference with the latter.
- not present themselves in a misleading way so as to mislead third parties and/or public authority staff,
- not to incite public authority staff to infringe the rules of conduct applicable to them,
- if the company employs former public authority staff, to respect their obligation of confidentiality

## Action plans

### Carrefour has implemented the following actions:

Relations with public officials :

- Gifts and invitations to public officials are prohibited without prior authorisation from the Legal Department and within the limits of the established gifts and invitations policy;
- Facilitation" payments that could help to ensure or speed up routine legal government actions (permits, licences, visas, customs clearance, etc.) are strictly prohibited, even if they are of low value;
- Regular facilitation payments can encourage solicitation and abuse of power;
- This rule also applies where local laws authorise this type of payment.

Participation in public life :

- All employees must refrain from involving the Group or any of its entities morally or financially in their associative or political activities;
- Any employee who participates in the decisions of a State, public authority or local authority as part of his or her political or elective activities must refrain from taking part in any decision affecting the Group or one of its entities (award of a permit, authorisation or contract, etc.).

## Performance

Indicators	Units	2020	2021	2022	2022/2021
Amounts paid to governments (taxes, customs duties, VAT, etc.)	Euros	962 M	948 M	975 M	3%
Donations to tax-exempt professional associations or groups	Euros	-	2 032 210	2 234 852	9,9%
Donations to the FCD	Euros	-	1 855 744	2 025 363	9,14%
Donations to the Trademark Union	Euros	-	68 880	57 400	(16,7) %
Donations to AFEP	Euros	-	-	70 000	-
Donations to FEVAD	Euros	-	-	26 740	-
Donations to the ARPP	Euros	-	-	17 749	-
Donations to Perifem	Euros	-	-	37 600	-

(1) Taxes: includes taxes on energy products, financial transactions and excise duties.

Carrefour does not make any direct or indirect political contributions to local, regional or national political campaigns / organisations / candidates.

## Tax management and compliance

### Regulatory framework

Each country in which the Carrefour Group operates has its own corporate tax framework. In the case of France, this covers direct taxation (corporation tax, annual tax on the profits made in France by companies and other organisations), consumption taxation (value added tax, consumption tax paid by the consumer on the purchase of a product or service) and local taxation (property tax on built-up land levied annually on developed land located in France, tax foncière sur des terrains non bâtis levied annually on owners of undeveloped land of any kind located in France, contribution économique territoriale composed of a business premises contribution and a contribution sur la valeur ajoutée des entreprises calculated on the basis of the value added generated by a business).

## The Group's commitment

As part of the responsible conduct of its business, the Carrefour Group ensures compliance with the rules applicable in all the countries in which it operates, including rules designed to combat tax evasion. The Carrefour Group applies a policy of tax transparency which involves :

- Guarantee the presence of a well-trained tax team with extensive expertise and up-to-date knowledge of the latest tax reforms;
- Build long-term relationships with tax authorities based on trust;
- To ensure that our operations comply with local and international tax regulations, without resorting to artificial schemes that could lead to tax evasion;
- Apply an intra-group flows policy in line with OECD principles;
- Ensuring tax transparency with the tax authorities, in particular through the introduction of Country-by-Country Reporting (CBCR).

## Action plans

### Carrefour has implemented the following actions:

Carrefour undertakes to comply with the tax regulations applicable in each of the countries in which the Carrefour Group operates. No entity owned by Carrefour is located in a country mentioned on the French list or on the European list of non-cooperative tax jurisdictions (e.g. the "black" list published by the Council of the European Union). Carrefour's decision-making process is based on tax compliance and transparency, in particular:

- Carrefour does not use opaque structures or entities located in tax havens to conceal information useful to the tax authorities;
- Carrefour applies the arm's length principle to transfer prices and does not use transfer prices as a tax planning tool. As the Group's organisation is decentralised, intra-group transactions within Carrefour are not significant (less than 5% of total sales);
- Carrefour provides the tax authorities with the information they need within a reasonable time-frame.

Carrefour's relations with the tax authorities are based on mutual trust and transparency.

Carrefour is aware that non-compliance with local tax laws and regulations could damage the Carrefour Group's reputation or its relations with the countries in which we operate. The Ethics Alert Line allows Carrefour employees, suppliers or service providers to report, confidentially, any situation or behaviour that is contrary to our ethical principles, including tax.

## Performance

Indicators	Units	2021	2022
Tax liabilities borne by all Group entities (in billions of euros)	€	4,3	4,4
Social security costs borne by the Group (in billions of euros)	€	1,6	1,6

## To find out more

Please refer to the following documents for more information on the principles and policies set out above:

- Policy to combat corruption and influence peddling
- Carrefour Group Responsible Lobbying Charter
- Carrefour Group tax policy
- Gifts and invitations policy
- URD 2022
- Ethics and responsible business conduct
- Commitment charter for suppliers of controlled products



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