

ETHICS CHARTER

Auchan | RETAIL

Last update: 2022

FOREWORD

Since its founding in 1961, Auchan has developed from a foundation of core beliefs and strong values, and robust engagement when it comes to ethics.

Since 1994, when we formed our first Ethics Committee, Auchan Retail has made strides, bringing ever greater detail to the responsibility it holds with respect to its employees, customers, partners and associates, shareholders and society at large, through its Company Vision.

Shared by the teams in all the countries, our Vision very clearly set out the identity, founding purpose, commitments and ambition of each company.

Our values inspire us every day. We believe that all individuals aspire to better lives: it is the ambition of all our teams to exercise their professions in a responsible and innovative manner, so as to improve the quality of living for the greatest possible number of men and women.

At Auchan Retail, we define ourselves as a responsible player that advocates for tasty, healthy, local products, and we want to carry out our work with a great sense of responsibility.

Auchan Retail built its ethical approach around this core belief, which is encapsulated in this Charter drafted by a working group that includes managers from all our countries and professions. It is updated regularly to keep in step with both regulatory requirements and social and environmental advances.

A living, breathing mechanism that sets the highest standards, the Charter is now a permanent part of each of our country-level Ethics Committees.

By adopting demanding ethical standards, in line with our values, refusing any and all forms of discrimination, and fighting corruption, we seek to be a respected company that inspires trust in all its stakeholders, attracts the best talents, and builds its future and CSR policy on clear, healthy and sound foundations.

This Charter is for all our employees. It is thus important that each manager champions the Charter's values, introducing it and bringing it to life with their teams, so that all employees can actively engage with the approach and follow its core principles in their day-to-day conduct. Upholding this Charter must be everyone's responsibility and a priority path towards progress and excellence.

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1. RELATIONS WITH EMPLOYEES

In its role as an employer, Auchan Retail exercises social responsibility towards its employees. The company is concerned with improving safety, quality of living in the workplace, and creating an environment of trust for all employees. As such, it nurtures a diverse range of profiles and draws on this diversity to move forward in a culture of responsibility, excellence and sharing. Auchan Retail gives a special place to dialogue with its social partners, based on listening, trust and consensus-building. This dialogue, which is a core part of the company's culture, plays out in participatory mechanisms involving the employees and regular negotiations with their representatives.

Broadly speaking, the company expects integrity and mutual respect from all its employees. It asks them to adopt a cautious and reserved approach, in particular in regards to social media.

Basic rights, discrimination and harassment

Auchan Retail's actions are guided by the principle of equal opportunity and treatment in the workplace. When it comes to employment and careers, the company commits to rejecting discrimination on any and all grounds. With a wealth of wide-ranging professions to draw upon, Auchan Retail works to ensure gender diversity in its recruitment and development policies, with professional pathways open to all profiles.

Auchan Retail condemns all forms of violation of human dignity, and more specifically all forms of psychological or sexual harassment. It expects that all employees, regardless of their job status, show respect for human rights.

Working conditions, hygiene, health and safety

Auchan Retail is aware that improved working conditions contribute to better day-to-day performance. It aims to provide a healthy, safe and risk-free environment for all employees.

Each entity has set up a risk prevention process based on stopping the occurrence of occupational accidents and ensuring that each employee knows how to respond in the event of a workplace emergency. Employees, for their part, commit to following all safety instructions and taking part in the training sessions organised on their behalf.

Loyalty, conflict of interest and anti-corruption

Auchan Retail applies the rules on anti-corruption and protection for whistleblowers, and expects employees to show a loyal attitude. All employees are thus advised to avoid conflict of interest situations.

A conflict of interest is deemed to occur when an employee takes part in activities or gives priority to his/her personal interests, at the expense of the company.

To ensure compliance with this rule, employees are expected to avoid any situations in which their personal interests or those of their relatives might come into conflict with those of Auchan Retail.

Respect for confidentiality

Confidential information to which employees have access as part of their job and to which they are merely custodians must remain confidential, as long as it has not been publicly disclosed by Auchan Retail. Employees must thus refrain from either using or circulating such information, unless expressly authorised or required to do so by law.

Respect for privacy

Auchan Retail cares about respecting the privacy of its employees. It has committed to guaranteeing confidentiality for all personal data pertaining to employees. These data are used solely for the purpose for which they were collected. Auchan Retail has a duty to institute protection procedures for confidential information relating to employees that is in line with existing national and international legislation.



Training, promotion and fairness

Auchan Retail places People at the heart of its priorities. The company seeks to act in a way that ensures all its employees are able to thrive, develop their work skills and improve their employability, in particular through training and internal promotion.

Auchan Retail is committed to treating everyone with consideration and fairness. In particular, it fosters the integration of people with disabilities and gender diversity at all levels of the company hierarchy.

Sharing policies

Auchan Retail's dedication to sharing is based on a strong core belief, which it has clearly stated from the outset. "People are central to the success of our businesses".

All employees wish to enjoy better lives, thrive and develop. In response to those aspirations, the human resources policy fosters self-sufficiency through training and empowerment, internal promotion and a sharing policy that is open to all. This sharing policy contributes to the company's performance. It enables employees involved in business operations to benefit from their commitment and build up savings that can help provide for their security and freedom.

2. RELATIONS WITH CUSTOMERS

Auchan Retail makes customer satisfaction a top priority: it is this that guarantees the company's long-term success. Its aim is to build special relationships with each customer by listening, understanding and continually adapting to their needs.

The company aspires to take daily actions that improve its customers' buying power and quality of life by offering them products and services that are sustainable, affordable and in line with their needs.

Product and service quality

In all areas where it operates, Auchan Retail is committed to guaranteeing high-quality products and services for its customers.

To this end, it commits to abiding by the obligations set out in the existing standards and regulations that apply to the products and services it offers, and to keep strictly to the state of the art in their design and creation.

Particular attention is paid to consumer safety and security, with unwavering attention to ensuring that supply remains as traceable as possible.

Transparency in customer information

Auchan Retail does everything in its power to provide fair and honest information about the supply and features of its products and services. Its aim is to enable customers to make fully-informed, reasoned decisions about the products and services they need.

Confidentiality of customer data

Auchan Retail takes care to show respect for privacy and abide by the laws on customer database and personal customer data protection.

Choosing to enable responsible consumer practices

Auchan Retail seeks to do more than merely protect buying power. To this end, it develops responsible ranges of products and services, such as store design and credit options.

This approach is aimed at making products and services that benefit health, the environment and social progress accessible to all.

3. RELATIONS WITH EXTERNAL PARTNERS

Progress cannot be experienced in isolation. For this reason, Auchan Retail builds high-quality commercial relations and shares its commitments on corporate, societal and environmental responsibility. The company acts towards all its suppliers and partners in a spirit of loyalty and fairness. It is committed to sustaining courteous relations aimed at ongoing mutual respect. Moreover, Auchan Retail specifically asks its partners to abide by the commitments in its Commercial Ethics Code, and expects no less of itself. (attention, j'ai l'impression qu'il manque un espace avant Auchan).

Strict ban on corruption

Auchan Retail maintains a strict zero tolerance policy when it comes to corruption, whether active or passive. It refrains from and firmly condemns any and all fraudulent practices, regardless of their form, towards third parties, whether these be vested with public authority or otherwise.

Employees are thus expected to refrain from offering or accepting any requests whatsoever aimed at furthering or hindering an administrative procedure, a purchase or a process. If there is any doubt as to the legality of a given request, employees must inform their line manager or use the ethics whistleblowing system.

Gifts and invitations

When acting in a professional capacity, Auchan Retail employees accepting or giving gifts, invitations or other benefits, whether directly or indirectly are, in principle, in violation of company rules, except where these gifts are given for advertising purposes or of very low value, as accurately described in the "Day-to-Day Ethics" guides for each country. Accepting any and all gifts, benefits or invitations in a personal capacity is forbidden.

If in doubt, employees should ask their line manager.

Remunerated intermediaries

The use of remunerated intermediaries is warranted only where it gives rise to real and actual services, in strict compliance with the law and regulations.

The services of such intermediaries are not authorised except under the above conditions, and must be subject to a formal contract. The remuneration must provide the fairest possible recognition for the services actually provided, as stipulated in the contract.

Respect for fairness in commercial practices and free competition

Auchan Retail respects its competitors and is aware that it is in everyone's interest to work within a market where commercial practices are implemented fairly.

The company is committed to acting loyally and fairly towards its suppliers and business partners, regardless of their size, and to keeping confidential any information entrusted to it as such. Likewise, it expects the same from its counterparts, which shall furthermore do the same with their own suppliers and partners.

Auchan Retail is dedicated to upholding national and international competition rules prohibiting their employees from engaging in any practices in contravention of these requirements.

Strict vigilance on manufacturing conditions

Auchan Retail takes care to ensure that good manufacturing conditions are upheld in its purchasing policy, whether regarding the standards of production, quality, traceability, stability, compliance with the precautionary principle, environmental standards, or labour rights.

When forming any contractual relationship, all suppliers are required to sign and ensure that their sub-contractors comply with the company's Business Ethics Code, which is based on the fundamental conventions of the International Labour Organisation.

Balanced and fair relations

Auchan Retail aims to maintain balanced and sustainable business relationships with partner small and medium-sized enterprises (SMEs) while ensuring that it does not establish dependency relationships, in particular by not representing a major portion of their sales revenue.

Auchan Retail strives to work together with its distributors and the franchisees under its brand based on mutual rights and obligations, as part of a fair and equitable relationship. While fully respectful of their autonomy, Auchan expects these entities to comply with the principles of this Ethics Charter.

4. RELATIONS WITH SHAREHOLDERS

Auchan Retail is part of a family-owned structure and not listed on the stock market. Almost all of its employees hold shares in the company.

Its policy on human resources and development, its business goals and its financial targets are drawn up with long-term objectives for the benefit of all stakeholders.

Auchan Retail does everything in its power to protect and derive maximal value from its assets.

Sincerity in financial and extra-financial communication

The laws and regulations to which Auchan Retail is subject require that it regularly disclose and issue reports and financial and extra-financial information to shareholders.

These documents must be in line with all applicable legal and regulatory provisions, be truthful and sincere, and provide an accurate portrayal of their business performance, as well as the financial situation and the assets of the relevant entities.

Auchan Retail aims to provide its employee shareholders with all information that is useful and necessary to business operations in a transparent and regular manner.

It is the responsibility of employees to act with integrity so as to prevent this information from being distorted and avoid the undue disclosure of its content. Employees speaking out on social media shall not speak on behalf of their company, unless expressly authorised to do so.

Asset valuation

Auchan Retail aims to ensure the profitability of its shareholders' investments through operational excellence and achieving top-level performance on a regular basis, while taking care to build the long-term value of its assets.

Achieving adequate profits is vital to the company's long-term future and development.

Economic performance is therefore a constant objective for all of the Group's teams.

Respect for Company assets

In an increasingly digitised world, data have become a very important part of any company's assets. They fall entirely within the scope of property to be protected, to the same extent as real estate and securities.

Auchan Retail expects its employees to act toward shareholders with complete fairness by ensuring the utmost respect for company assets.

Employees are responsible for using these assets effectively and appropriately in connection with their roles, in particular by refraining from their abuse or use for personal purposes. Employees are expected to take all measures necessary to preserve the company's assets.

5. RELATIONS WITH THE COMMUNITY

Auchan Retail aims to be recognised for its ethics.

It is concerned about the needs, changes and expectations of the societies in which it operates. Its signing of the UN's Global Pact was intended to express this sentiment.

The teams at Auchan Retail demonstrate their commitment on a daily basis, whether by contributing to social life and respect for the environment around the company's sites; their commitment to social integration; the diffusion and practical implementation of national general interest campaigns on health, equality, fighting waste and energy savings; or responding to emergency situations in the countries where the company operates.

Corporate social responsibility

Auchan Retail is intent on fully shouldering its corporate social responsibility by involving its stakeholders in the reflections and actions undertaken, and by communicating with full transparency about its improvements and performance.

The company is close to its customers and an integral part of the social and economic fabric that extends out around its sites. It is committed to developing associative partnerships to support local residents via its Foundations and its stores. It encourages its employees to be part of these efforts, and to initiate, contribute to or spearhead their own projects.

Business development

Auchan Retail seeks to develop an offering of local sites, stores, products and services across all their countries via direct partnerships, in particular with SMEs. These sites and stores bring employment to the areas in which they are based, and have a positive economic impact.

Respect for the environment

Auchan Retail is acutely aware that CSR policies endure only to the extent that all stakeholders take ownership of them. The company thus aspires to make the environment a collective focus that is shared at all levels.

Auchan Retail has committed to apply the precautionary principle in the face of environmental issues, to take initiatives aimed at promoting greater ecological responsibility, and to foster the development and distribution of products and services that are ever more respectful of the environment.

In building and operating their sites, the company is constantly striving to find innovative, energy- and water-efficient solutions, furthering the fight against global warming and helping to protect diversity.

Politics and religion

Auchan Retail is respectful of its employees' individual commitments, but asks that they refrain from proselytising in the workplace. They may exercise their citizens' rights or obligations by taking part in political or public activities, provided that they do so outside the workplace, and make it clear when doing so that they are not speaking on behalf of Auchan Retail.

Auchan Retail's representatives act transparently and in line with the rules of professional ethics in their institutional relations.

Lastly, as a component of civil society, Auchan Retail does not intervene in the political or religious sphere of the countries in which it operates, and maintains a stance of strict neutrality.

6. CHARTER IMPLEMENTATION

This Charter is addressed at all Auchan Retail employees and affiliates worldwide. It also applies to all corporate officers.

The company furthermore expects that all its partners and co-contractors abide by the ethical principles set out in this Charter.

Charter circulation

It is the responsibility of each manager to make this Charter readily available to the teams and to use it as a management tool.

Each employee is expected to abide by and implement the principles set out in this Charter, and to champion them in the course of everyday operations with colleagues and external partners.

Ethics whistleblowing mechanism

All customers, employees, partners, lessors, suppliers and shareholders are encouraged to report any conduct or requests which they deem to be unacceptable.

<https://auchan.whispli.com/lp/fr/SpeakUp>

Any instance of concern reported in good faith with regard to possible inappropriate conduct shall be reviewed in depth and followed up accordingly. "In good faith" shall mean that the information was provided as genuine and accurate at the time of reporting, even if it is subsequently proved to be erroneous.

Auchan Retail commits to do its utmost to guarantee confidentiality and not to penalise any whistleblower sharing their concerns in good faith.

When faced with doubts, dilemmas or complex situations, employees are invited to raise the issue with their manager, use the whistleblowing mechanism, or, as a last resort, consult their country's ethics committee.

In each country, the Chairman, Managing Director and Management Committee are responsible for ensuring compliance with this Charter and applying its content on a daily basis.

To facilitate the adoption of the principles in this charter for all involved, it shall be adapted into a "Day-to-Day Ethics" guide specific to each country, using practical example situations.