

# Chapter 8

## Corporate Social Responsibility (CSR)



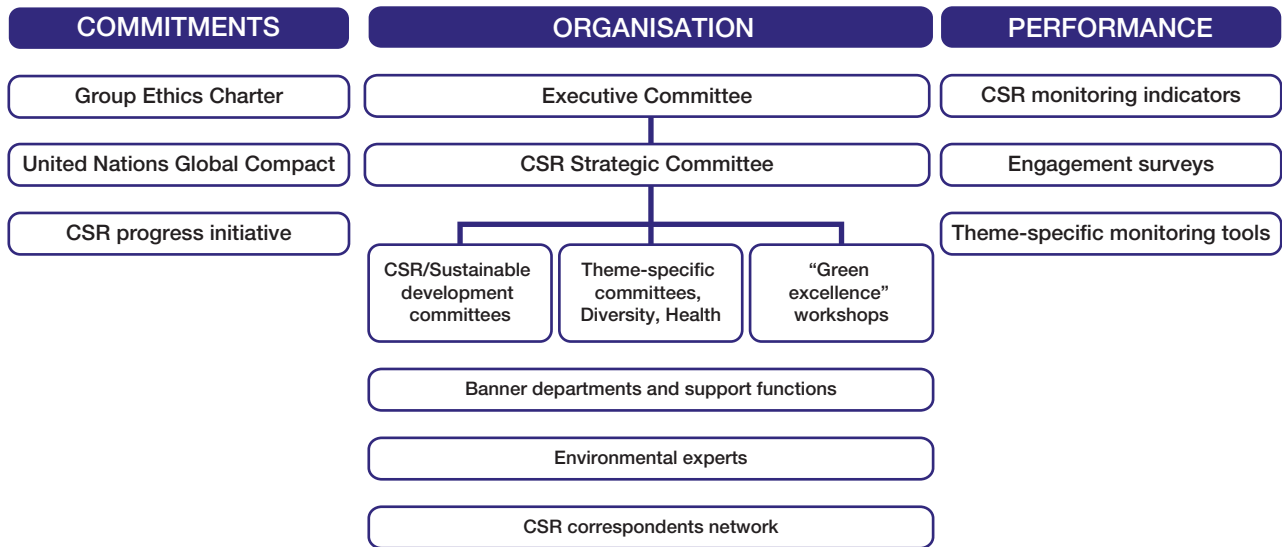
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## 8.1. PRESENTATION OF THE CASINO GROUP'S CSR POLICY

### 8.1.1. ORGANISATION

The Casino Group's sustainable development policy is implemented by a dedicated organisation created in 2002. The Group joined the United Nations Global Compact in 2009 to take account of the international dimension of its activities and breathe new life into its historic initiative. A Group CSR department was

created in 2010 to disseminate and coordinate its CSR progress initiative among all its subsidiaries in France and abroad. This initiative is also disseminated to countries and banners through actions carried out locally by the CSR departments of subsidiaries.



The CSR Strategy Committee, comprised of twelve members including nine members of the Executive Committee, is tasked with validating the Group's CSR commitment priorities based on the Global Compact principles and areas of application of the ISO 26000 standard and monitoring their implementation by the entities. The Casino Group has created a network of CSR correspondents in each of its French and foreign subsidiaries, coordinated by the Group CSR department. In France, this network is completed by environment officers and "diversity-promoting" (*Promotion de la diversité*) correspondents.

The following committees support the rollout of the CSR policy:

- the Human Resources Steering Committee;
- the Scientific Committee on Nutrition and Health;
- the Quality Committee for France;
- the CSR coordination and monitoring committees within Casino and Monoprix in France but also internationally, for example within GPA in Brazil, Libertad in Argentina, and Big C in Thailand.

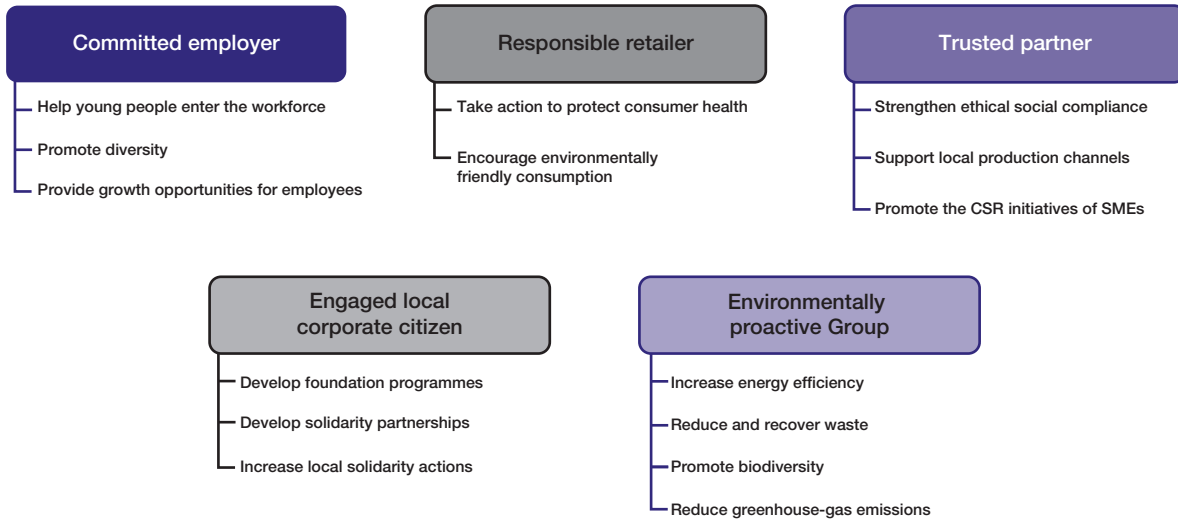
### 8.1.2. IDENTIFICATION AND PREVENTION OF CSR-RELATED RISKS

The risk management systems are explained under Chapter 7 in this report. The major CSR-related risks identified by the Group concern Human Resources, procurement and product marketing,

climate change and soil pollution. They are also explained in this report [see page 231].

### 8.1.3. CSR CONTINUOUS IMPROVEMENT PROGRAMME

A structural component of its CSR policy, the “CSR Spirit” progress initiative introduced by the Group is built on 15 priorities focused on five areas of responsibilities.



The initiative meshes perfectly with the commitments of the Group’s Ethics Charter communicated to all entities in 2011. It recalls the Group’s attachment to the values proclaimed in the Universal Declaration of Human Rights and the ILO’s Declaration on Fundamental Principles and Rights at Work. Through the nine commitments of its Ethics Charter, the Casino Group specifically undertakes to abide by national and international laws, principles, standards and regulations; implement loyal practices in its commercial relations; encourage the development of quality

employee relations, based on respect for employee representative bodies and constructive dialogue; promote equal opportunity in access to employment, training and career growth; take account of the diversity of expectations, needs and lifestyles of the stakeholders with whom the Group interacts.

The Group is using the Ethics Charter and endorsement of the United Nations Global Compact to reassert its determination to comply with and promote human rights in all its international subsidiaries and with its suppliers.

### 8.1.4. CSR AWARENESS AND TRAINING

To raise employee awareness of the CSR policy and of the issues at stake in their activities, the Group conveys its CSR actions in all its communications materials (in-house newsletters, Intranet). A CSR newsletter entitled “The Essence of CSR” (*L’Essentiel de la RSE*) features the significant events of the Group and its subsidiaries and is circulated by the Group CSR department. The banners also circulate their newsletters, such as “Raíces” produced by Libertad which features major CSR actions implemented during the quarter.

In 2014, an online CSR challenge was organised through its “Casino World Community” platform which brought together 177 international teams of four players over seven weeks. An online module named “Discover Casino Group” (*Découvrir le groupe Casino*), covering the Group’s CSR policy, was produced and made available to employees.

In France, Casino has rolled out an awareness programme for Casino store managers based on the “Discover CSR in stores” (*Découvrir la RSE en magasins*) training module and “CSR initiative

trophies” (*Trophées de l’Initiative RSE*), to shed a positive light on best store initiatives. CSR correspondents have access to an e-learning training module known as “CSR Passport” (*Passeport RSE*). Casino employees also received training in sustainable consumption from the GoodPlanet Foundation. The catalogue of Campus, the Casino Group’s in-house training centre, features CSR training programmes and integrates the sector’s CSR challenges whenever the business modules are updated. For instance the seafood department managers’ training now includes a component on the challenges of sustainable fishing.

International subsidiaries also deploy training modules for their employees mainly based on issues related to diversity, the environment and ethics. For example, a CSR training section has been included in the induction module for new Viavarejo employees, while store employees (Viavarejo and Multivarejo) have received specific training on waste sorting, diversity, and prevention, health and safety in the workplace.

## 8.1.5. STAKEHOLDERS DIALOGUE

For many years now, the Group has been striving to maintain regular, constructive dialogue with local and national stakeholders in all of its host countries.

Casino endeavours to promote open, productive dialogue in order to develop and jointly create projects or innovative partnerships. Dialogue occurs through various channels, depending on the parties involved, at Group level and at each entity level.

Group-level initiatives to create a more structured dialogue and better understand their expectations include inviting stakeholders to speak on important topics at meetings of CSR Strategy Committees. The topics discussed in 2013 and 2014 included the analysis of the Group's CSR challenges, the carbon impact of activities, the impact of raw materials on deforestation, and the social ethics policy.

After organising in 2013 a roundtable discussion with stakeholders on diversity, in 2014, the Group CSR Department conducted an analysis of their expectations with the support of an external adviser. The findings of this study were revealed in the presence of stakeholders and members of the Group's executive management. An agreement on CSR in Casino was signed with employee organisations and management in April 2014 (see section on page 215) to allow better recognition of the expectations of representative union organisations.

To better understand stakeholder expectations in Brazil, GPA carried out a materiality study with the support of a consulting firm specialised in sustainable development. This study entailed a documentary analysis, individual interviews conducted with the Executive Directors and external partners and an online survey sent to more than 23,000 GPA contacts, employees, suppliers and customers.

The resulting materiality matrix was presented to the GPA Executive Committee to validate the 2015-2017 strategic priorities and check their consistency with the Casino Group's five CSR pillars. This study helped to confirm employee expectations with respect to the social and solidarity commitment of GPA, the quality of life and pay equality. At the same time, it revealed the expectations of external stakeholders' about sustainable consumption and the management of waste generated by

customers' operations; and of suppliers about the development of SMEs and local employment. In 2014, Libertad reasserted the strategic development priorities of its CSR policies.

The Casino Group takes part in the work of the ILO Global Business and Disability Network as a founding member of the network, in France's *Initiative Clause Sociale* (ICS) and *Entreprises pour les Droits de l'Homme*, and supports the Global Social Compliance Program (GSCP). The Group maintains regular dialogue with socially responsible investment players (rating agencies, ethical investment funds) by agreeing to interviews (nine SRI meetings in 2014) and responding to occasional requests for information.

In France, the Group belongs to several specialised associations such as ORSE (Observatory for Corporate Social Responsibility), AFOIT (French Association for the International Labour Organisation), the Parenthood Observatory and the National Business Network for Equal Opportunity in Education.

On environmental issues, it contributes to the discussions and work of "Eco-conception et Management du Cycle de Vie" (Eco-design and Lifecycle Management); Perifem (technical association for trade and retailing); and environmental organisations such as Éco Systèmes, Éco Emballages, Corepile and Recylum. In 2014, the Group responded to the solicitations of several associations and non-governmental organisations.

The foreign entities also strive to maintain productive dialogue with their stakeholders. For example in Brazil, as a member of the ETHOS institute (a pro-CSR business association), GPA supports the work of the AKATU institute which organises awareness and mobilisation actions around sustainable consumption. GPA also works with CEMPRE (*Compromisso Empresarial para reciclagem* – Corporate Commitment for Recycling), an organisation that seeks to encourage the reduction, reuse and recycling of waste and is a member of GTPS (*Grupo de Trabalho para Pecuaria Sustentavel* – Sustainable Livestock Working Group).

In Argentina, Libertad supports IARSE (CSR Institute) and Grupo Éxito in Colombia works with various national stakeholders such as the SIC (*Superintendencia de Industria y Comercio*) and the SENA (National Training Service).

Examples of identified stakeholders:

Stakeholders	Key dialogue methods
Employees	<ul style="list-style-type: none"> <li>• Internal newsletters, Intranets</li> <li>• Alert, counselling and mediation unit</li> <li>• In-house commitment surveys</li> </ul>
Employee organisations	<ul style="list-style-type: none"> <li>• Regular dialogue with staff representative organisations</li> <li>• Company agreements</li> </ul>
Shareholders, investors and rating agencies	<ul style="list-style-type: none"> <li>• Institutional websites</li> <li>• Annual Report, Registration Document, Communication on Progress</li> <li>• Letters to shareholders, road shows</li> <li>• Annual General Meetings</li> </ul>
Customers	<ul style="list-style-type: none"> <li>• Banner and product websites</li> <li>• Social media</li> <li>• Consumer service</li> <li>• Consumer surveys</li> </ul>
Students and young graduates	<ul style="list-style-type: none"> <li>• Websites</li> <li>• Partnerships with schools</li> <li>• Attendance of job fairs</li> </ul>
Suppliers	<ul style="list-style-type: none"> <li>• Identification of a special contact inside the Group Purchasing to assist SMEs (since 2000)</li> <li>• SME forums</li> </ul>
Public and local authorities	<ul style="list-style-type: none"> <li>• Partnerships with public authorities (ministries and national authorities)</li> </ul>
NGOs and associations	<ul style="list-style-type: none"> <li>• Regular dialogue with local, national and international associations (answers to queries, questionnaires, meetings with NGOs)</li> <li>• Participation in roundtables</li> </ul>

## 8.1.6. NON-FINANCIAL INDICES AND AWARDS

The Casino Group is listed in the socially responsible investment indices (SRIs) below: FTSE4GOOD, Vigeo Eurozone 120, Ethibel and Dow Jones Sustainability Index World, ECPI Indices/EMU Ethical Equity (ECPI Group). Grupo Éxito is listed in the Dow Jones Sustainability Index for Emerging Countries. These indices include the best-rated companies according to social, environmental and governance criteria.

Since 2013, the Casino Group answers the Carbon Disclosure project (CDP) questionnaire, and achieved a score of 87B, up from 75C.

The Group often receives awards in recognition of its initiatives.

In 2014, the Casino Group received the Grand Prix ESSEC award for sustainable retailing for the second consecutive time, together with several prizes for actions implemented to promote diversity in France, such as the LSA Journal award.

The international subsidiaries also received awards for their CSR initiatives: Disco in Uruguay received the National Energy Efficiency Prize in 2014 from the Uruguayan Ministry of Industry and Energy, Big C Thailand received for the third consecutive year a special prize for its policy towards people with disabilities. Grupo Éxito received the retailing industry Human Capital prize from the *Monitor Empresarial de Reputación Corporativa* (MERCO) based on a questionnaire verified by KPMG (ISAE 3000).

## 8.1.7. NON-FINANCIAL REPORTING

In addition to this report, the Casino Group publishes an annual corporate social responsibility report which presents the subsidiaries' key CSR indicators, activities and objectives. The report is available at: [www.groupe-casino.fr](http://www.groupe-casino.fr).

In France, Monoprix publishes its CSR performances in a report available at: [www.monoprix.fr](http://www.monoprix.fr). Cdiscount and Vindemia also publish information in their management report.

Mercialys also publishes its separate employee and environmental data in its registration document which is not included in the data reported in these pages.

Internationally, GPA, Grupo Éxito, and Libertad, also endorsers of the Global Compact, publish an annual CSR report which is available on their websites: [www.gpari.com.br](http://www.gpari.com.br), [www.grupoexito.com.co](http://www.grupoexito.com.co), [www.libertadsa.com.ar](http://www.libertadsa.com.ar).

## 8.2. A COMMITTED EMPLOYER

In all of its host countries, the Casino Group develops and implements innovative Human Resources and Management policies sensitive to local cultures.

These policies seek to promote professional development and the enhancement of individual talents, fight against discriminations and strengthen equal opportunity, foster productive and innovative labour and management dialogue, protect employee health, safety and well-being at work, while implementing a fair and evolving remuneration and benefits policy.

The Human Resources department of each entity is responsible for defining their policy consistent with the core principles defined by Group HR based on the development of a shared culture of economic, social and environmental performance, the development of synergies and tools to improve human resources management and respect for the identity and culture of subsidiaries.

### 8.2.1. GENERAL PRINCIPLES AND DATA

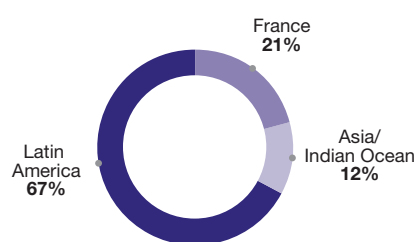
The Casino Group is a major employer in France and in most of its host countries, especially in Brazil and Colombia. The Group's registered total workforce increased in 2014 by 2% after new stores

were opened. Women account for 52% of the workforce, while 41% of employees are under 30. 21% of employees live in France, 67% in South America and 12% in the Asia/Indian Ocean region.

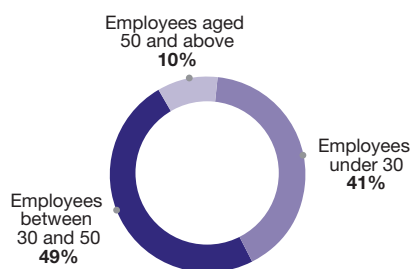
#### Workforce and organisation of work time

Number of employees on permanent (CDI)/ fixed-term (CDD) contracts at 31 December	Group 2013	Group 2014	France	Latin America	Asia/Indian Ocean
<b>TOTAL INCLUDING:</b>	<b>328,995</b>	<b>335,436</b>	<b>70,645</b>	<b>225,580</b>	<b>39,211</b>
Women	170,783	175,111	41,935	110,775	22,401
Men	158,212	160,325	28,710	114,805	16,810
Less than 30 years	133,299	137,374	17,589	98,142	21,643
From 30 to 50 years	162,818	162,716	35,613	110,485	16,618
50 years and more	32,878	35,346	17,443	16,953	950

Breakdown of workforce by geographic region



Breakdown of workforce by age bracket



Breakdown of workforce by gender



	Group 2013	Group 2014	France	Latin America	Asia/Indian Ocean
New hires on permanent contracts	90,482	93,139	7,243	73,639	12,257

The duration of work time for Group employees is defined in compliance with the legal framework of each entity and the regulations of the host country.

Casino Group employees are usually employed on permanent contracts (CDI) with 92% of the work force on such contracts. Fixed-term contracts are primarily used to replace absent employees and strengthen store teams during peak seasons.

	Group 2013	Group 2014	France	Latin America	Asia/Indian Ocean
% of employees on permanent contracts	92%	92%	93%	94%	77%
% of full-time employees	87%	87%	72%	91%	88%

Casino Group employees are usually employed on full-time contracts with 87% of the workforce on such contracts.

In France, Casino has set up a proactive system which allowed 348 people to switch from a part-time contract to a full-time contract during the year.

Furthermore, an agreement on telecommuting for the 2014-2017 period was implemented inside the Casino IT teams. This agreement follows one year of experimentation at the end of which 100% of telecommuters and managers concerned said they were "satisfied" or "very satisfied".

In France, the Group reported 15 terminations for economic reasons and 3,601 terminations for other causes (which cover all cases of terminations linked to the employee's conduct such as walking out, repeated absences, professional misconduct, incompatibility with superiors, theft, unfitness for the job, etc.).

## Promoting employee-management relations

The Group's human resources policies is built on regular dialogue between employees and management:

- In France, Casino maintains regular dialogue with the four representative union organisations and exchanges with 1,000 employee representative organisations and 5,500 elected officials. A new agreement covering employee-management relations within the Casino Group was signed in 2009 and renewed for the 2012-2016 period. This agreement stipulates in particular the methods for implementing employee-management relations and the professional development of employee representatives.

More than ten agreements and action plans are currently in force pertaining to the employment of people with disabilities (Monoprix, Casino, Cdiscount), gender equality (Casino, Franprix, Leader Price, Cdiscount), and health and safety at work. These agreements are monitored and the outcomes are reported annually to the representative union organisations.

In 2014, the four representative union organisations signed a CSR Agreement for Casino. The agreement reasserts the determination of the parties to include CSR in the company economic and social business model and covers the key corporate, social, and environmental responsibility challenges identified in the Casino Group's CSR progress initiative. The agreement also provides for the creation of a CSR commission which will bring together the union organisations and will be responsible for:

- organising an annual dialogue with stakeholders,
- presenting the results of CSR actions and indicators,
- exchanging information about new issues at stake;

- Internationally, in line with the principles defined by the Group and in accordance with the local context, employee-management relations will be coordinated by the various Human Resources departments. In Colombia and in Brazil, Grupo Éxito and GPA have implemented collective bargaining agreements with the representative union organisations that cover topics related to the organisation of labour, remuneration, etc.

In order to take the pulse of the employee community and listen to what employees have to say, the Casino Group, through its Human Resources departments, organises employee surveys on specific topics and/or internal or external opinion polls. It also deploys systems that allow employees to express their opinions and propose suggestions:

- In France, Casino implemented action plans in 2013 and 2014 based on findings from a survey of check-out operator to assess their perception of their working conditions. In 2014, more than 800 employees were polled about discrimination linked to physical appearance.

Monoprix organised an in-house survey to assess employee perception and commitment in relation to disability and diversity policies; it also introduced Monoprix sondage, an in-house poll that gives employees the opportunity to express their opinion about the company, the store, working conditions or the daily practices of managers;

- Outside France, Grupo Éxito conducted a study of the social climate. More than 24,700 employees *i.e.* 94.5% of the workforce targeted by the survey responded. The score obtained corresponds to the "very satisfied" level. Grupo Éxito also implemented three exchange programmes with employees that allowed employees to submit their suggestions and opinions. The first programme, "360° contigo exprésate" for employees on administrative sites, collected 49,400 opinions; the second "360° contigo escribenos" was for all employees and the third "360° contigo hablemos" gave the opportunity to talk to the Chairman of Grupo Éxito (1,200 people participated in 2014).

92% of employees participated in Libertad's "Great place to work" survey in 2014. The previous survey carried out in 2012 led to the creation of the "yo soy Libertad" (I'm Libertad) programme, which sought to improve the well-being and dedication of employees at work through concrete measures.

In Brazil, GPA conducted a commitment survey with 149,036 employees and received a response rate of 83%. Compared to the last survey in 2012, employee commitment rate was four points higher. 74% of employees declared that they would readily recommend GPA to a friend looking for a job; 73% declared that they work in an open-minded environment where individual differences are accepted. The study led to the definition of action plans for 2015.

## Managing change in the Company

In accordance with the legal provisions, the Human Resources departments provide assistance for coping with the organisational changes in the Company. Specific measures have been rolled out upstream through projects such as the 2015 plan to combine on a new site in Vitry sur Seine in the Paris region, teams from several Group entities primarily located in the eastern Paris

region. As part of this plan, working groups were created in 2012 to work on topics such as maintaining a balanced professional/private life and the quality of life on the new site and to find solutions to concrete issues linked to transportation, housing and childcare. The agreement on workforce and skills planning (GPEC) for Casino is also a dialogue tool for anticipating organisational changes in business operations.

## 8.2.2. PROMOTING ALL FORMS OF DIVERSITY

Since 1993, the Casino Group has been dedicated to fighting all forms of discrimination. The Group believes that diversity drives financial performance and therefore pursues an assertive policy of recruiting people from diverse backgrounds, promoting professional equality at all levels and in all corporate processes and encouraging to live together.

### Fighting against discrimination and stereotypes

This policy is driven by several action principles: fight against stereotypes which lead to discriminations, build policies together with representative union organisations, address all areas of discrimination and take stock of implemented actions.

The Group's actions focus on key areas such as: social background, gender, disability, age (youth and senior), sexual orientation, religious diversity, union commitments and, since 2014, physical appearance.

- In France, to fight against discrimination and promote diversity, the Group relies on tangible commitments and a network of some 50 "diversity-promoting" correspondents in charge of the day-to-day implementation of the policy.

The banners (Casino, Monoprix, Cdiscount, Franprix, Leader Price) have all signed the Diversity Charter. Casino was the first retailing group to obtain in 2009 the Diversity Label awarded by Afnor Certification to companies with an exemplary diversity policy. The label was renewed in May 2012 for a period of four years. Casino also obtained the Professional Equality Label in 2013.

As a signatory to the LGBT Commitment Charter, Casino has pledged to ensure equal rights and treatment for all male and female employees regardless of their sexual orientation and has accordingly strengthened its actions to fight against any discrimination linked to sexual orientation. A manager's guide was developed and distributed to managers to help them fight against stereotypes and prejudice and clarify the expected managerial behaviour.

In 2014, Casino launched an initiative to fight and prevent discrimination linked to physical appearance. It involved the creation of an in-house working group and a questionnaire-based poll sent to 800 employees. This study shows that for 65% of polled employees it is important for the Company to have a specific action on physical appearance. A guide entitled "Physical appearance, deconstructing stereotypes, fighting prejudices" was developed and presented to around 4,000 managers.

To fight against discrimination, Casino also relies on its existing whistle-blowing system which allows all employees to file a direct confidential report as a victim of or witness to actual or perceived discrimination. The system was approved by the CNIL on 13 October 2011.

- The Group's international subsidiaries have also rolled out policies to promote diversity while taking local challenges into account.

In Brazil, GPA's diversity policy and its commitment to fight against discrimination, reasserted in its Code of Conduct, is based on three major priorities: disability, youth and gender equality.

In Colombia, Grupo Éxito has rolled out its "Población vulnerable" programme on addressing issues related to disability, victims of armed conflict and their families, significantly disadvantaged young people, and the civilian adjustment of veterans. Big C has implemented policies aimed particularly at helping young people and people with disabilities to find jobs.

Whistle-blowing systems (see page 235) allow employees to file confidential reports especially at GPA through the "Channel of complaints – Disque Denuncia" or in Argentina under the "Libertad transparente" policy.

### Key initiatives to promote the integration of people with disabilities

Each of the Group entities is involved in setting up a policy to help people with disabilities. The Group employs 7,370 people with reported disabilities (on permanent contracts, short-term contracts, as interns), representing a 6% increase compared to 2013.

In 2014, the Group deployed an information and awareness-raising campaign for its subsidiaries in France and abroad. Known as "Handino", the campaign was rolled out in four languages. Through examples and testimonies transmitted through a film and booklet, it recalls the initiatives implemented to facilitate the professional integration of people with disabilities. As a founding member, the Group continued to participate in the deployment of the ILO Global Business and Disability Network of companies committed to working with the disabled.

- In France, the Group's actions are implemented in the context of its equal opportunity and anti-discrimination policy and are developed as part of the "Handipacte" project.

The proportion of employees with disabilities in Casino's workforces was 13%, up from 11.93% in 2013. The Group has been implementing an assertive disability policy since 1995. After exceeding the objectives of the previous agreement, Casino signed a sixth agreement on disability covering the 2014-2016 period. Under this agreement, it plans to hire 100 people with disabilities including 10% of young people under 30, involve more students on work-study programmes and accept 160 interns.

The Group also enhanced its policy in favour of employee-family caregivers launched under the previous agreement. This initiative implemented since 2011 seeks to assist and support employees/family caregivers by offering them access to a free and confidential advice platform or by organising annual



conferences. It led to the signature of a collective agreement on leave for family caregivers in 2013. As such, in 2014, 38 employee caregivers were able to benefit from leave days donated by other employees and topped up by the Group. A booklet entitled "I'm a caregiver, let's talk about it" (*Je suis aidant, parlons en*), was also developed for employees.

Monoprix, which reached the objective of hiring 180 employees with disabilities over the 2011-2013 period, signed a fourth agreement for the 2014-2016 period, undertaking to hire 180 employees with disabilities, including 20 on work-study programmes. A film entitled "Smiles" (*Les sourires*) was screened for all employees to make them more aware of disability issues. 345 Monoprix stores were renovated to make them more accessible for people with disabilities.

	Group 2013	Group 2014	France	Latin America	Asia/Indian Ocean
Number of people with reported disabilities at 31 December [permanent contracts, fixed-term contracts, interns]	6,921	7,370	3,916	2,978	476

See methodological note on page 236 for details about the scope and the calculation method.

- All the Group entities outside France have deployed action programmes for people with disabilities.

Big C Thailand, which received an award for the third year in a row from the national office for the employment of people with disabilities, employs 367 people with disabilities in hypermarkets, exceeding the fixed legal quota by 37%.

This banner launched several initiatives in 2014 to promote the rights of people with disabilities, such as participating in the "Well-being of people with disabilities" fair organised by the National Office in charge of the autonomy of people with disabilities and the Thai Ministry of Social Affairs; developing specific training courses for employees with impaired hearing; and being the first and only local retailer to sign an agreement with the Universal Foundation to install telephone transmitters in 27 stores to assist people with impaired hearing.

In Brazil, GPA continued its commitment to hire and integrate people with disabilities. In 2014, GPA developed a monthly system to track objectives and action plans involving all the Human Resource departments. Assai launched a major campaign to recruit workers with disabilities. This helped to raise the number of workers with disabilities by 75% within two years; 150 positions were proposed in 80 of the network's stores.

In Colombia, Grupo Éxito developed its "Población vulnerable" programme, which also provides assistance for the integration of victims of armed conflict.

In Argentina, Libertad continued its actions mainly as a member of the CEC, a Corporate Club committed to helping people with disabilities.

## Key initiatives supporting young people, particularly those from underprivileged backgrounds, and seniors

41% of the Group's employees were under 30 and 10% were aged 50 and above at 31 December 2014.

The Group implements initiatives to help young people find jobs, especially those who are poorly qualified or from underprivileged backgrounds.

### Pro-youth initiatives

Group subsidiaries (Casino, Franprix, Leader Price, Vindémia, Cdiscount and Monoprix) have signed "Generation contracts" or implemented action plans aimed at promoting the sustainable integration of young people and the continuing employment of older employees by ensuring the transmission of knowledge and skills to the younger generation.

Casino undertakes to ensure that 60% of hires on permanent contracts are for young people; to maintain a percentage of more than 11% of its work force under 26 years; to roll out a specific welcome itinerary "C Duo Generation" with the appointment of a mentor to facilitate the induction of young people; or again set up a housing assistance mechanism for young people on work-study programmes.

To fight against stereotypes, a guide book entitled "Changing our perception of young people" (*Avez-vous le bon regard sur les jeunes?*) was distributed to managers to help them unravel preconceived ideas about young people and encourage intergenerational dialogue.

Casino's pro-youth commitment is also reflected through an active policy to promote work-study solutions. The Group, which welcomes more than 7,530 students on work-study programmes in France, has developed a job website for young people ([www.alternance-stages-casino.fr](http://www.alternance-stages-casino.fr)) and organised, for the third consecutive year, a full day to celebrate apprentices, tutors and apprenticeships, bringing together 600 young people. 41 partner schools of the Group came together for one day to strengthen the ties with these schools and develop work-study solutions, especially for students with disabilities. A best apprentice contest was organised for the third consecutive year.

The Group has developed several partnerships with associations such as the *Agence du Service Civique*, the *Institut du Service Civique*, the *Réseau des entreprises pour l'égalité des chances dans l'éducation*, *Nos Quartiers ont du Talent*, the Christophe Tiozzo Academy and *Talents des Cités*. For example, it organised in 2014, with *Le Réseau*, the "Cap sur Casino" day to welcome about a hundred young middle school children from underprivileged areas and introduce them to retailing business lines. A guide and a welcome charter for middle school children for their compulsory work experience internship was implemented.

### Specific actions to help young people from priority areas

The Group's efforts to help underprivileged areas is first of all reflected in the hiring of local labour and through partnerships and concrete commitments. The department in charge of promoting Diversity and Community Outreach continued its actions according to the priority areas defined by the national partnership agreement signed in 1993 with the Ministry for Urban Development and renewed in 2013.

It promotes, in particular, the professional integration of poorly-qualified people and the access to managerial positions of young graduates from underserved neighbourhoods. As such, the Casino

Group has signed an agreement with the local authorities to hire as much as possible from the store's local job pool in order to promote local employment. In 2012, it stepped up these actions through the "National commitment by French companies to promote employment in priority areas" and pledged to hire 850 people, 150 young people on work-study contracts, and propose 500 internships for the 2012-2014 period to people from priority areas. In 2013, the Group signed the Companies and "Companies and Priority Areas" (*Entreprises et Quartiers*) Charter sponsored by the Ministry for Urban Development to support employment and economic initiatives in priority areas.

Internationally, GPA also widened its local hiring pool and employs 3,620 apprentices (3,236 in 2013) and had increased the number of older employees in its workforce since 2012: people aged 50 and above represent 8% of the workforce (4.4% in 2012).

Vindémia also rolled out initiatives for the professional integration of young people from difficult neighbourhoods. Libertad in Argentina and Big C in Thailand and Vietnam also participate in the deployment of work-study and vocational programmes with schools and universities. As part of its "Población vulnerable" programme, Grupo Éxito in Colombia employs highly disadvantaged young people.

### 8.2.3. PROMOTING GENDER EQUALITY

The Group endeavours to improve the gender diversity of teams at all levels of the organisation through an active policy on all professional equality issues: gender diversity in jobs, management of women's careers, fair human resource policies (remuneration, access to training, hiring and promotions) and parenthood.

The Casino Group ranked 37<sup>th</sup> on the list of SBF 120 companies in the second ranking of companies with women managers issued by France's Ministry for Women's Rights in 2014.

	Group 2013	Group 2014	France	Latin America	Asia/Indian Ocean
% of women managers	38%	38%	39%	23%	51%

- In France, the number of women in managerial positions has increased significantly since the first agreement signed with employee organisations in 2005 and thanks to actions implemented for more than 10 years now.

The Group's efforts to promote gender equality at work were rewarded in 2013 with the three-year Professional Equality Label. The label, awarded by an equal representation commission headed by France's Ministry for Women's Rights in partnership with Afnor Certification, is a tribute to the Group's commitment. The Group also signed a master agreement for the 2013-2015 period with the Ministry for Women's Rights whose priorities include continuing to push for more women on corporate governance bodies.

Since 2008, the Group updates its gender equality and equal pay policies through the Mandatory Annual Negotiations. These measures consist of setting aside an annual budget to close any unjustified pay gaps. An audit conducted by an external firm showed that the gap has been closing since 2010, with the average gap of 5% or less.

Since the Group signed the "Working Parents Charter" (*Charte de la parentalité en entreprise*) drafted by the Parenthood and Balanced Time Observatory (*Observatoire de la Parentalité et de l'équilibre des temps*) in 2008, it has developed several initiatives to help its working parents achieve a balanced professional and family life. For example in 2014, it introduced the "Let's help parents!" (*Aidons les parents!*) workshops where employees can meet with specialised consultants to discuss their parenting issues.

In 2010, Casino teamed up with Terrafemina to conduct a first self-assessment with its women executives and supervisors to find out about their perception of their work environment and their career growth prospects within the Group. The Group used the findings of the study to identify priority areas for action plans to promote professional equality. They also inspired the agreement signed with employee organisations in 2011.

In 2014, the Group decided to carry out another survey of women managers (Casino, Cdiscount, Franprix, Leader Price).

The new study revealed the positive impact of action plans on the representation of women (on a same-store basis); the presence of women in managerial positions was up by 3 points compared to 2010 (38% versus 35%). The number of women in managerial and directorial positions had increased from 15% to 19%. The study also provides statistics on gender equality in Human Resource initiatives regarding access to training, internal promotion and remuneration.

Based on information culled from a questionnaire addressed to a representative panel of 375 women, the Group was able to identify professional equality areas requiring urgent action. It therefore decided to continue the fight against stereotypes (by rolling out an e-learning Diversity module and a poster campaign), improve the perception of career prospects by informing employees about jobs and mobility within the Group and develop individual and group coaching through "Performance and Gender Diversity" training programmes specifically designed for women managers.

Lastly, the "C'avec elles" network created by the Group in 2011 to offer a platform for more than 500 men and women managers, organised ten or more events in 2014.

- Outside France, the subsidiaries also rolled out targeted actions and strengthened the representation of women inside their organisations.

A Gender Equality scorecard was created to track changes in the representation of women in management around eight key indicators, with the support of the Human Resources departments of each country.

Since 2013, the proportion of women on Management Committees has grown by 3 points for GPA in Brazil and Libertad in Argentina, and by 4 points for Big C Thailand.

GPA has implemented several initiatives to bring more women on its executive and management teams. They include the obligation to present at least one qualified woman candidate for each vacancy, the launch in 2014 of the "Women in Leadership" (*Mulheres na Liderança*) programme inside Viavarejo (recruitment and support for women as store managers).

## 8.2.4. MONITORING HEALTH AND SAFETY AT WORK

The Group has launched a process to improve the safety and physical and mental health of its employees. The Human Resources department is responsible for implementing the action plans in each of the subsidiaries.

- In 2007, Casino created a special "Occupational Health and Safety" (OHS) business unit in charge of managing OHS-related actions and identifying business-specific risks in France. Casino's risk prevention initiative is part of its employee-management relations system and as such negotiated three agreements specifying the objectives, means of action and expected results. These include a method agreement on the prevention of Psychosocial Risks (PSR), an Occupational Health and Safety agreement and an agreement on arduous work signed in 2012 by Franprix, Leader Price and Cdiscount.

The Group introduced an employee feedback initiative several years ago as a tool for preventing professional risks using data from employees on their perception of their working conditions. Casino calls its system "Cap Prévention", while Cdiscount refers to it as "ACTEA", a French acronym for improving working conditions through listening and action.

This feedback-based initiative is applied by all Casino hypermarkets, supermarkets, and Casino and Cdiscount

warehouses. Several prevention days were organised to educate employees about health issues. The Group also organised several awareness-raising sessions at the head office to call the attention of its staff to the ergonomics of office work stations. It also organised prevention and information workshops on retailing sites on the topics of smoking, nutrition, blood tests and diabetes. Monoprix signed an agreement to sustainably improve working conditions and health and safety at work through 19 identified progress areas.

In 2014, together with the Executive Committee and assisted by an occupational well-being specialist, the Human Resources department proposed an introductory course on benevolent management to Casino managers. This course seeks to teach managers how to motivate employees by limiting stress in a demanding business environment. 600 managers (Executive Committee, Management Committees of the various group entities, etc.) participated in these courses provided by external trainers. An e-learning platform was also set up to allow all managers access to useful and practical content (videos, quizzes, etc.). The Human Resources managers of branches were also trained to encourage the dissemination of this initiative to store managers, with the support of a guidance pack. The initiative will be continued in 2015.

	Casino	Monoprix	CDiscount
Workplace accident frequency rate	39.59	39.53	24.95
Workplace accident severity rate	2.08	2.54	0.61

	Group 2014	France	Latin America	Asia/Indian Ocean
Number of hours of absence due to on-the-job accidents and illnesses (including occupational illness)	13,087,876 <sup>(1)</sup>	7,431,807	4,672,017 <sup>(1)</sup>	984,052
Absenteeism rate for workplace accidents and illnesses (including occupational illness)	2.69% <sup>(1)</sup>	7.43%	1.56% <sup>(1)</sup>	1.14%

<sup>(1)</sup> Partial data.

Due to changes in the consolidation scope, the 2013 data is not mentioned.

See page 236 of the methodological note for details about the scope, the calculation method and the gaps between geographic regions.

In 2014, the Group recorded a total of 256 occupational illnesses in France (255 in 2013 at equal scope).

- The deployment of employee health and safety programmes was also a priority for international entities. GPA, Big C Thailand, and Grupo Éxito implemented workplace accident prevention plans designed to identify major risks in the workplace as early as possible.

They then deployed targeted training programmes in all subsidiaries to cope with identified risks. In 2014, Big C Thailand organised 117 training sessions on this topic. The subsidiaries also strive to optimise equipment to ensure better ergonomics and minimise the arduousness of certain tasks.

GPA has rolled out health and nutrition awareness educational programmes for its employees working in warehouses and at the

head office. 3,000 people received health care in the workplace under GPA's "VIVA SAUDE – VIVA HEALTH" programme. Under this programme, GPA set up in-house clinics on large facilities (warehouses) to provide healthcare to employees. Grupo Éxito continued its job-related risk prevention programme and training for employees in at-risk jobs in stores and warehouses.

Concerned about the health of its employees outside the workplace, Group entities implemented actions to encourage employees to adopt healthier lifestyles particularly by exercising, provided access to advice from nutritionists or helped them to quit smoking. For example, 1,727 GPA employees joined the "GPA Clubs" which propose activities and events and 4,500 employees used the sports facilities offered by the 20 GPA Academia sports centres. These structures are open to employees interested in sports activities.

## 8.2.5. PROMOTING PROFESSIONAL DEVELOPMENT

Since its inception, the Casino Group has focused on the professional development of both its men and women employees who drive its operating performance. To strengthen a managerial culture that upholds the Group's values and is instrumental in achieving this objective, a reference system was developed to assess "Managerial Attitudes and Behaviour".

Also known as L.I.D.E.R.S. (Leadership, Innovation, Decision, Engagement, Customer Responsibility, Synergies), the system was deployed in France and in certain parts of the Group's host countries. It has also been incorporated into the annual performance review of managers.

### Training for Group employees

Training is a key factor for developing and preserving the employability of employees. In accordance with the Group's objectives, the Human Resources departments of each subsidiary define training plans.

	Group 2013	Group 2014	France	Latin America	Asia/Indian Ocean
Total hours of training	4,536,405	5,217,496	354,057	3,895,219	968,220
Total hours of training per person	N/D	16.1	4.9	18.3	25.1

See page 236 of the methodological note for details about the gaps between geographic regions.

- In France, more than 29,900 employees received training (Casino, Monoprix, Franprix, Leader Price and Cdiscount). The Group's training activities are centralised in "Campus Casino", an in-house training centre that proposes a variety of both classroom-based and e-learning training programs (My Campus Platform) designed to address all the Group's needs with respect to employee skills development. Campus Casino offers more than 150 training programmes linked to the retailing industry, the acquisition of technical skills or personal development.

In 2014, Campus Casino deployed various specific programmes to coach employees with literacy challenges by offering them the opportunity to acquire the basics in French and mathematics and to promote Accreditation for Prior Experience (APE). A communication campaign allowed 1,694 employees to notify their interests in APE and 142 of them to join the implemented coaching processes.

As a key component of Monoprix's human resources policy, training is essential for supporting the company's projects and enhancing the skills of employees. 47% of Monoprix employees received training in 2014. The Group's third APE class included 41 graduates and 31 employees in the process of accreditation.

- The Group's international subsidiaries also created special training departments to handle the deployment of initial training right after the employee's induction and on-the-job training linked to career promotions.

GPA entities have rolled out individual training plans. For example, Assai in Brazil has an in-house university that proposes courses particularly on the specific features of the "cash and carry" model. Casas Bahia and Ponto Frio have developed the "Prove" programme which helps to improve the performance of sellers, while Multivarejo trained 61,000 employees during the year. Some banners rely on in-house training structures, such as the "Big C Academy" and "E-Academy" in Thailand, to offer courses in the company's various business lines, especially through e-learning modules.

Big C Vietnam, which has an in-house structure for training butchers, also created a vocational training certificate in bakery in 2013 and continues to develop training programmes specific to "fresh produce" jobs.

Grupo Éxito has rolled out more than a hundred programmes for all employee categories, at the head office and in stores. In 2014, it also launched training schools for apprenticeships in specific crafts: the Clothing school (326 people trained), the Surtimax school (2,155 people trained) and the Bakery school which will be deployed in 2015.

### Remuneration, employee profit-sharing and incentive plans

#### Remuneration policy

The Group's remuneration policy examines the skills, the level of responsibility and the acquired experience of both men and women employees to offer them fair and competitive pay equal to observed market practices for similar jobs and tailored to the specific local characteristics of the Group's host country.

Remuneration surveys are carried out regularly in France and abroad to assess the competitiveness of the remuneration packages proposed by the Group compared to those proposed by companies operating in the same business sectors. These surveys mainly concern management positions and skill shortage jobs.

A large number of managers and store employees are paid according to a variable system based on quantitative and/or qualitative objectives to encourage performance.

Annual performance reviews are used to manage the career development of employees and define the variable component of their pay. Managers' pay is contingent on the Group's objectives, quantitative and qualitative individual objectives and an assessment of managerial conduct known as "Managerial Attitudes and Behaviour" (ACM – L. I.D.E.R.S.). The managerial reference system was deployed throughout subsidiaries in France and abroad and adapted to match specific local situations whenever necessary (Libertad, Grupo Éxito, GPA and Big C Vietnam). The reference system guarantees that set objectives are achieved in accordance with the defined managerial principles, while ensuring the existence of a single, strong human resource culture shared by all employees.

In addition to the basic remuneration, most Group entities propose employee benefits to their staff. This may include a discount on their shopping in the store (Grupo Éxito, GPA, Vindémia, Libertad, Disco Devoto) in addition to financial help (meal, transport allowances, etc.).

The principles of Group executive remuneration are presented in Section 5.2 of this document.

### Employee benefits

Casino Group proposes employee benefits (which may include pension, medical care, death and disability insurance) and other benefits compliant with the legislation and practices of each country and which top up the compulsory plans.

For example in France, more than 90% of the Group's employees are covered by a health, death and disability benefits plan co-financed by the employer. In Colombia and in Brazil, employees are covered by a death and disability insurance and have access to health insurance, co-financed by the employer.

In Vietnam and Thailand, Big C proposes a death, invalidity, medical care and hospitalisation cover to all its employees. The cost of this cover is fully financed by the employer.

The following sums have been allocated for employee profit-sharing and incentive plans in the last five years:

(€ thousands)	Profit sharing	Incentive plans	Total
2009	20,448.4	14,474.4	35,922.8
2010	19,294.8	12,280.3	31,575.1
2011	18,198.5	11,897.6	30,096.1
2012	13,998.5	6,457.1	20,455.6
2013*	27,678.1	4,676.2	32,354.3

\* Including Monoprix.

### Savings plan

In France, the employees of the Casino Group (except Franprix, Leader Price) are offered the opportunity of joining a Savings Plan to build employee savings. Employees may arrange for their bonuses and profit sharing awards to be paid into the Savings Plan and may also make monthly or discretionary voluntary payments. Group companies participate in these savings by matching the

### Employee savings

#### Profit sharing

In France, the initial profit-sharing agreement signed in 1969 is frequently updated. Monoprix, Franprix, Leader Price and Cdiscount have their own profit-sharing agreements.

#### Incentive plans

The first incentive plan was signed in 1986 in France. A new plan covering 2013, 2014 and 2015 applies to Casino. As the previous plan, it combines a solidarity incentive and a local incentive. 80% is allocated in proportion to the annual remuneration of each employee and 20% in proportion to length of service. The local incentive is directly linked to the performance of the retailing outlets and allocated in proportion to the remuneration of each beneficiary.

Other Group companies have also implemented employee incentive plans.

In total, more than 68,000 employees in France are covered by an incentive and/or profit-sharing plan.

payments made by their employees. Each company has its specific terms and conditions for paying this matching contribution.

At 31 December 2014, 48,488 employees and 52,449 former employees of the Casino Group in France were members of a Savings Plan (PEE, PEG or PERCO), for total assets of €250 million representing approximately €2,500 per employee. In 2014, the Group's French companies paid more than €3.8 million in matching contributions into the employee savings plans.

## 8.3. A RESPONSIBLE RETAILER

The Casino Group's corporate motto "Nourishing a world of diversity" (*Nourrir un monde de diversité*) reflects the Group's commitment to offer quality products to as many people as possible and give its customers the opportunity to be responsible consumers. As part of its CSR progress initiative, Casino has defined two priorities: acting for the health of its consumers by offering them more balanced food and encouraging them to adopt more eco-friendly consumer habits.

Food is a key component of healthcare and societal issues and a major concern for the Casino Group which develops a product policy that reconciles safety, nutritional balance, health, pleasure and environmental friendliness.

### 8.3.1. SUPPORTING CONSUMER HEALTH

#### Providing safe, quality products

The quality and safety of products is an absolute priority for the Group for all its private-label product range. From defining product specifications to running stores, the Group uses a comprehensive system to guarantee the marketing and sale of safe, healthy and impeccable quality products.

The Group Quality department coordinates regular exchanges with the Quality departments of the various entities which are each responsible for guaranteeing the quality standards of private-label products and ensuring that all products sold are safe for consumers. These exchanges mainly involve sharing best practices and procedures (product quality and safety policy, traceability procedure, supplier audits, crisis management, product recall, etc.) and have facilitated the implementation of a Group Quality Charter distributed to all entities in 2012.

Both in France and internationally, private-label suppliers are audited regularly every year to ensure that all product manufacturers meet regulatory requirements for product safety and the Group's internal requirements. Food supplier audits are conducted in accordance with International Featured Standards (IFS). Inspections are made all year long on private-label products. Product recall and crisis management procedures are defined, set up and applied whenever necessary.

The Group Quality department promotes the IFS inside subsidiaries. This standard is an integral part of the Global Food Safety Initiative (GFSI) of the Consumer Goods Forum.

- In France, collaborative management tools have been developed with food product manufacturers to ensure compliance with specifications and product tracking. Audits are regularly performed in Casino Group warehouses to ensure the implementation of best practice procedures and guidelines. 100% of Casino warehouses now have higher-level certification based on the IFS Logistic standards.
- Internationally, GPA has been developing for several years now a programme known as "Quality from the source" aimed at improving the traceability of fruits, vegetables and eggs in order to check upstream the use of pesticides, transport conditions and product storage. This programme was extended to beef.

The PEQ (*Programa evolutivo de qualidade*) programme also assesses industrial product suppliers and since 2014, fruit and vegetable suppliers with the goal of encouraging them to apply for internationally-recognized external certification.

In 2014, a training programme on the challenges of food safety was set up for private-label pork and poultry suppliers. The suppliers were introduced to the GFSI initiative of the Consumer Goods Forum.

In Colombia, Éxito organised a supplier forum on the topic of quality to promote the IFS standard. 12 suppliers pledged to begin the certification process after the forum. In collaboration with the Group Quality department, the quality and safety plan for Casino private-label products was presented to more than 80 Éxito suppliers.

Libertad in Argentina and Disco in Uruguay launched a programme to encourage their suppliers to become GFSI-certified by 2016.

#### Improving the nutritional balance of products

As a pioneer of the private-label concept (*marque distributeur – MDD*) with the launch of the Casino brand as far back as in 1901, the Group has developed since 2005 numerous initiatives to improve the nutritional balance of Casino products, one of the Group's leading private labels. The private-label expertise accumulated by Casino has served as a springboard for subsidiaries to launch their own private labels.

The Group created a Scientific Committee on Nutrition and Health in 2010. The Committee meets four times a year to analyse scientific data and trends on health issues and consumer concerns and expectations about health. In France, it also develops action plans to support private-label products, such as the development of an antibiotics-free poultry offering. Lastly, the Committee issues recommendations on controversial ingredients such as aspartame, endocrine disruptors, Bisphenol, pesticides, and more.

The Group's Nutrition and Health plan launched in 2005 was confirmed in 2008 with the signing of a charter of nutritional progress voluntary commitments with the French Ministry of Health, under the National Health Nutrition Plan (PNNS).

Its main actions in France concerned:

- for Casino brands:
  - improving the nutritional profile of products by reducing salt, simple sugar and fat content, in addition to replacing certain fats with more nutritional alternatives; developing a more legible nutritional labelling; providing consumers with information; developing a range of health foods,
  - developing specific products: the "Casino Bien pour Vous!" (Casino is good for you!) private label proposes products such as "gluten-free" or "sugar-free" to address the nutritional requirements of consumers with special needs,
  - launching in 2014 the "Casino Bio" and "Terre et Saveurs" poultry products from animals raised on antibiotic-free diets.
- For the Leader Price brands: the development of the "Fine Ligne" dietary range offering products with less salt, sugar and fat, and the promotion of "Leader Price Bébé" products offering recipes developed with the advice of child nutrition experts;
- for the Monoprix brands: the introduction of a Sustainable Nutrition Charter updated in 2012 which requires controlled salt content, removal of hydrogenated fats, limited use of preservatives and prohibition on use of azo dyes. Monoprix also develops products to address specific needs such as low lactose milk.

Internationally, the banners have launched similar initiatives and sell private-label well-being and health products. The "Taeq" brand distributed in Colombia and Brazil comprises a line of products with health and well-being benefits.

Libertad and Big C Thailand have launched an initiative to reduce the salt content of certain food product ranges. Éxito endeavoured in 2014 to redefine the nutritional framework of its products for children under the "Troopx" brand and launched 25 "Taeq" products to address the needs of people with special nutritional requirements, in the wake of the nutritional assessment in 2013.

## Informing consumers about the nutritional value of products

The Group supports the introduction of nutritional labelling on private-label products to provide better information to consumers.

The Casino Group has deployed a nutritional label which indicates the energy value, quantity of proteins, carbohydrates, sugars, lipids, saturated fatty acids, dietary fibres and sodium in Casino products.

To stay a step ahead of new regulatory requirements applicable at year-end 2014, the two-year collaboration between the purchasing, marketing and quality teams led to an overhaul of the Group's labels. In addition to the data already mentioned, the food products of French banners (Casino, Leader Price and Monoprix) clearly display the presence of allergens in the list of ingredients and the origin of the meat in prepared meals. Casino has decided to exceed this new regulation by applying it to exempted product families. The Leader Price Fine Ligne range displays nutrition advice prepared on the recommendations of dietary experts and nutritionists.

Big C in Vietnam voluntarily displays a nutritional label on 100% of "Big C" private-label food products. All Libertad private-label food products in Argentina also carry detailed nutritional labels.

GPA has enhanced its nutritional labelling on its "Taeq" private label which now indicates saturated fat, fibres, sodium and vitamin content. It is also working on highlighting the presence of allergens in the list of ingredients.

In 2014, Éxito worked more specifically on identifying the fatty acid content of private-label products in order to display this information on the product nutritional profile from 2015 onwards.

## 8.3.2. ENCOURAGING MORE ECO-FRIENDLY CONSUMPTION

To encourage its customers to adopt more eco-friendly consumer habits, the Casino Group has developed several initiatives to reduce the environmental impact of products. These measures including optimising and reducing packaging used; developing more environmentally-friendly product ranges; displaying the environmental footprint on the packaging of food products; organising communication campaigns to encourage consumers to return used products for recycling.

### More environmentally-friendly products

To allow its customers access to more environmentally-friendly products, Casino Group stores carry over 15,170 products certified as environmentally responsible.

	Group	France	Latin America	Asia/Indian Ocean
Number of organically-farmed private-label produce	1,602	1,116	405	81
Number of organically-farmed national brand produce	11,639	10,055	1,320	264

of which:

	Casino Bio	Naturalia Monoprix Bio	Leader Price Bio	Taeq Brazil	Taeq Colombia
Number of organically-farmed produce by private label	424	550	142	336	69

The Group's banners also carry product ranges produced through Good Agricultural Practices. In France, Casino sells 119 references under the "Terre et Saveurs" brand (such as fruits and vegetables, bakery, fishery, poultry and butchery products), grown on carefully-tended land by producers committed to Good Agricultural and Livestock Farming Practices (alternative growing methods, little or no post-harvest treatment, attention to the genuine needs of plants, preservation of aquatic environments, etc.).

Outside France, Grupo Éxito has set up a certification programme for Good Farming Practices for fruits and vegetables suppliers: some twenty of them are certified every year. Big C Thailand launched a certification process on certain products to obtain the Green Label awarded after assessing the environmental impact and sells 205 fresh produce certified for using Good Agricultural Practices (GAP).

### GMO

The Casino Group's policy on GMOs was formalised in 1997. The Group's private-label products sold in banners in France (Casino, Monoprix, Leader Price and Franprix) are guaranteed GMO-free with respect to the ingredients used, additives and flavours. Outside France, private labels comply with applicable regulations and the rules of labelling as in Brazil where products are inspected and indicate the presence of GMOs if they exceed 1%.

### Organic farming and Good Agricultural Practices

The Group offers a vast range of organically-farmed produce with more than 13,240 products sold in Casino Group stores. In France, the stores carry over 11,170 AB-certified organic produce (excluding clothing) including 1,115 private-label products.

Outside France, GPA sells more than 1,200 organically-farmed produce including Casino Bio organic produce. Libertad also promotes in its stores organically-farmed produce in specially arranged spaces.

### Palm oil

The Casino Group is one of the first retailers to have pledged to reduce the impact of palm oil since 2010. 81% of the Casino Group's private-label food products which used to contain palm oil are palm-oil free. For the 19% of Casino food products that contain palm oil, 92% use RSPO-certified palm oil, endorsed by the Group since 2011. 100% of Casino-brand non-food items and Hygiene/Perfumery items use RSPO-certified palm oil. The Leader Price and Monoprix banners also have similar policies.

In 2014, an additional process was launched to obtain transparency on the palm oil used in private-label brands in France and abroad. The goal is to identify in 2015, as a first step, the refiner or the first seller in order to have a comprehensive overview of the palm oil supply chain down to the plantation.

### Sustainable fishing

For many years now, the Group has been endeavouring to improve its seafood offering. Casino has taken numerous measures since 2007 to protect fishery resources such as gradually stopping the sale of major endangered deep-sea species (emperor fish, blue ling, cutlass fish, grenadier and tusk). It has also stopped selling other endangered species such as dogfish, eel, elver and white grouper.



This policy is shared and supported by the other Group banners such as GPA in Brazil and Big C in Thailand.

Casino and Monoprix stores propose MSC (Marine Stewardship Council) certified products, as a guarantee of sustainable fishing.

In 2014, the GoodPlanet Foundation and the Casino banners teamed up to educate employees about the issues at stake in fishing. They produced a training-information pack for the Group employees and an e-learning module.

## Local produce

The Group's banners are committed to developing and showcasing produce from local suppliers (see Supporting local production channels, page 228). In France, Casino develops its "Le Meilleur d'ici" (Fine local products) concept comprised of products produced less than 80 km from the store. In 2014, Vindémia rolled out this concept in Score hypermarkets and Jumbo Score supermarkets. The banner also promotes local produce under the "Nou la fé" (We did it) range.

In Vietnam, Big C relies on expanding its local sourcing especially whenever stores are opened in rural areas; the range of products

sold in these stores are partly derived from local contracts signed at meetings organised with producers.

## Optimising the packaging of private-label products

The cardboard packaging of "Taeq" products and certain "Qualità" products sold in Brazil by GPA use recycled material from packages collected from customers. Under the "Novo de Novo" programme initiated in 2009, GPA recycled and reused several millions of packages (more than 2,700 metric tons). At each product creation, GPA ensures that the packaging is reduced and also uses FSC (Forest Stewardship Council) certified cardboard for its packaging.

In Colombia, Grupo Éxito helps its suppliers of "Taeq", "Carulla" and "Cautivia" brand products to reduce their packaging. In addition, Éxito develops products with 100% recyclable packaging.

To reduce and limit their impact on biodiversity and deforestation, the Casino banners prioritise the sale and use of PEFC (Programme for the Endorsement of Forest Certification) or FSC (Forest Stewardship Council) certified paper, hallmarks of sustainable forest management, and products covered by the European Ecolabel.

## 8.3.3. EDUCATING CUSTOMERS ABOUT SUSTAINABLE CONSUMPTION

### Promoting sustainable products

To educate customers and suppliers, the Casino Group deploys information and awareness-raising campaigns in its stores primarily about sustainable consumption, the recycling of used items (bulbs, batteries, small electrical appliances) and food waste.

In France, a major "Choosing is acting" (*Choisir, c'est agir*) information campaign on sustainable consumption was rolled out again by the GoodPlanet Foundation in more than 2,500 stores (Casino and Petit Casino hypermarkets and supermarkets). The campaign involved the distribution of information booklets to customers, an in-house radio announcement, a supplier forum, etc.

The ambition of this operation supported by ADEME, Max Havelaar, MSC, Corepile and the UNEP (United Nations Environmental Programme) is to inform customers about responsible labelling, encourage better consumption habits ([www.choisircagir.com](http://www.choisircagir.com)) and promote more sustainable products.

A training module was rolled out for employees on the challenges of sustainable consumption and sustainable fishing. At a forum attended by more than 80 suppliers, organised to highlight their actions to promote sustainable products, the best initiatives received the "Choisir, c'est Agir" Award. Leader Price launched the "What's for dinner?" (*Qu'est-ce qu'on mange ce soir?*) initiative proposing to customers a meal cooked in 20 minutes and promoting a healthy, varied diet at an affordable price.

Monoprix rolled out its "Good for you!" (*C'est bien fait pour vous*) campaign to explain its sustainable development commitments and promote sustainable consumption with its customers.

Casino was the first retailer to introduce carbon labelling on its private-label products to make its customers aware of the

environmental impact of their consumption. This labelling launched in 2008 was gradually replaced by the environmental index (EI), which features the impact of the full product life cycle on greenhouse gas emissions, water consumption and aquatic pollution.

This index can be found on 470 products, including 448 private-label products (373 "Casino", 75 "Monoprix"). This process provides the Group with more insight into the environmental impact of products to inform and educate customers and encourage suppliers to implement improvement actions. An EI calculation tool is also deployed with industrial food producers to step up its use.

### Reducing the use of plastic bags

To encourage more sustainable consumption and reduce household waste, the Casino Group is involved in a process that seeks to reduce the distribution of single-use plastic bags in stores.

- In France, since 2008, the number of free check-out bags distributed by Casino has fallen by 93%. Since 2012, Franprix proposes biodegradable bags for unpacked fruits and vegetables to its customers.
- Outside France, the Group's subsidiaries have launched several actions to encourage the use of reusable bags (information in stores, encouragement through loyalty programmes, etc.) and reduce the use of disposable bags. Under its "Juntos en Acción" CSR programme, 13 of the 15 Libertad hypermarkets have "green cash registers" where customers are not given disposable plastic bags, in an effort to raise awareness. Big C Vietnam proposes recyclable bags. Grupo Éxito has extended its policy to promote the use of reusable bags to its Éxito Express convenience format.

### 8.3.4. FIGHTING FOOD WASTAGE

In connection with the National Pact to Fight Food Wastage set up by the French Ministry of Agriculture and Food, which has been signed by the Group, Casino, Monoprix and Franprix have rolled out several actions.

To educate its customers and employees, Monoprix stores distributed a guide on food wastage entitled "Nothing is lost, everything is transformed" (*Rien ne se perd, tout se transforme*) and organised in-store awareness-raising actions. Casino developed a guidebook entitled "Eco-friendly actions in stores" (*Eco gestes en magasins*), focused on several themes such as Wastage and conveyed through the "Choisir, c'est agir" campaign.

To encourage customers to pick fruits and vegetables that would otherwise be discarded because of substandard appearance,

Monoprix and Franprix launched the "Do you have a problem with me?" concept. These misshapen, deformed fruits are measured by the same gustatory quality standards as the other standard produce and sold at a cheaper price.

Internationally, GPA launched in 2014 a major communication campaign entitled "Why throw away?" (*Pq jogar fora?*) on wastage and plans to roll it out for its 100,000 employees and their families in 2015. The content was developed together with AKATU, an institute that seeks to educate the public about food waste and provide tools for limiting wastage.

The Group's banners and warehouses continue to support the donation of products with short expiry dates to food bank networks (see page 233).

### 8.3.5. BEING ATTENTIVE TO CUSTOMER EXPECTATIONS

The Group's banners have developed an accessible, free and permanent system for listening to and exchanging with their customers (call centre, e-mail address, booth in stores). They also use social media and have developed specific pages to facilitate and promote dialogue.

- In France, each of the banners carries out customer surveys and organises store visits by specialised service providers. The questionnaires address a wide variety of issues with an impact on customer satisfaction, ranging from store cleanliness to service quality and products sold.

The Group's banners propose a toll-free number for customers to call the Consumer Service. Casino is supported by an integrated call centre that manages customer requests. Monthly reports are prepared and transmitted to the relevant departments (purchasing, marketing, stores). Nearly 50% of calls received are made through Casino's toll-free number and the number of queries have fallen by nearly 6% compared to 2013. Customer complaints usually concern the quality of products, then in-store service.

Monoprix also has a toll-free number for its customers and an online platform for all queries about products, stores, services and the company. Leader Price provides a toll-free number available from Monday to Friday to its customers. Franprix has a similar system.

The Casino Group has also created the "C'Vous" community website for consumers interested in talking about products and services in their local store. They can vote for their preferred products and propose ideas to the community. The topics are grouped in six categories, of which one is sustainable development. The most popular ideas are implemented in the stores.

- Outside France, GPA has numerous customer satisfaction survey tools. It has set up the "casa do cliente" system where customers can express their concerns, suggestions or comments. In 2013, Extra and Pão de Açúcar had customer satisfaction rates of 90%. In Colombia, Éxito carries out about 100 customer surveys per store, in addition to online surveys, to define and track satisfaction level which in 2014 was more than 4 over 5 (best score). Big C Thailand customers can submit their complaints or suggestions by store on a special customer page on the banner's website.

## 8.4. A TRUSTED PARTNER

As a retailer, the Group's corporate social responsibility policy addresses the risks and challenges inherent in its supply chain.

The CSR policies deployed to address social and environmental impacts strive to strengthen the Group's social ethics initiative

specifically with suppliers of private-label products based in at-risk countries, support local production channels and encourage the CSR initiatives of SMEs.

### 8.4.1. STRENGTHENING THE SOCIAL ETHICS POLICY

The Group supports the implementation of harmonised, stringent standards at national and international level. Involved since 2000 in France's Social Clause Initiative (*Initiative Clause Sociale* – ICS) comprising 20 retailing banners, the Group also supports international initiatives such as the Global Social Compliance Program (GSCP) in its work to harmonise standards.

Since 2002, the Casino Group has deployed a social ethics initiative for its suppliers in an effort to improve the social conditions in which its private-label products are manufactured. The initiative managed by the Casino Group CSR department in liaison with the Purchasing departments is based on:

- the Supplier Ethics Charter: supplier endorsement of the Ethics Charter is a key step in the listing process.

By signing the Charter which is modelled on the Group Ethics Charter, the supplier acknowledges the superiority of the principles proclaimed in the Universal Declaration of Human Rights and in the ILO's Declaration on the Fundamental Principles and Rights at Work.

The supplier pledges to observe the eight requirements of the Ethics Charter especially with respect to the prohibition of child labour and forced labour. The endorsement also implies that the supplier accepts inspections to verify compliance with these commitments;

- an annual social audit programme: every year, more than a hundred production sites are audited to check compliance with the requirements set out by the Supplier Ethics Charter.

The audits are planned and monitored by the Group's CSR department and are implemented first in factories which manufacture high-risk product categories and are based in countries considered as most likely to present risks of violation of Human Rights and working standards. Regular audits are carried out in China, India and Bangladesh.

The audits are performed by specialised independent firms in accordance with ICS standards. The Group may decide to terminate its relationship with a production site based on the rating received after an audit. The Group shares with banners that are members of ICS a common database for integrating and discussing the results of the audits performed;

- support for suppliers: audit reports, followed by a corrective action plan if necessary, are drafted after a production site audit. Suppliers have to pledge to implement the corrective action plan within a given period to avoid the downgrading of their rating. The Group's local offices play an essential role in helping suppliers and their factories properly understand the Group's

expectations and the implementation of any corrective actions. Internal and external follow-up audits are performed to ensure the that the corrective action plan is properly implemented;

- awareness raising and training activities: the CSR department conducts regular awareness-raising activities among purchasing teams, local offices and suppliers, including the introduction of the Ethics Charter to the suppliers. In 2014, the Group's social ethics policy and the audit follow-up tools were introduced again to clothing buyers. A course on the pre-listing process was given to Global Sourcing Quality engineers.

In 2014, 190 ICS social audits were conducted. 166 of these audits were conducted directly by the Group and 34 by other ICS members (shared factories). 46% of the factories audited by the Group are located in China and 28% in Bangladesh, while 77% of the audits were initial audits and 23% follow-up audits.

An analysis of the results of ICS audits is published in the ICS Activity Report ([www.ics-asso.org](http://www.ics-asso.org)). Since 2003, the Group has performed a total of more than 1,700 ICS audits.

In Bangladesh, the Group audited 100% of preferred factories producing its private-label products based on more stringent safety inspections designed to address the country's specific situation. It has developed systematic, unannounced pre-listing audits and strengthened its inspections on the safety conditions in factories.

Although Casino had no connections with the Rana Plaza workshops, Casino Global Sourcing endorsed the "Accord on Fire and Building Safety" in July 2013, to support the collective and collaborative process initiated and help to improve safety conditions in factories. Factories producing for CGS were audited by the Accord in 2014 and are now implementing corrective actions. The teams attended the Accord meetings organised in London, Amsterdam and Dhaka.

In addition to these audit programmes, the international subsidiaries have developed Ethics Charters for local suppliers: For example, GPA is a member of the local Brazilian initiative "Associação Brasileira do Varejo Têxtil" (ABVTEX) which carries out inspections of suppliers and sub-contractors of the Brazilian textile sector based on 13 evaluation topics with 18 requirements, including the prohibition of child labour and forced labour.

Grupo Éxito has drafted a Supplier Code of Conduct that includes ethical, transparency and good governance requirements. Libertad has rolled out an Ethics Code of Ethics Charter for its local suppliers. Big C in Thailand is educating all local textile suppliers about the Group's ethics policy.

To ensure optimum compliance with human rights in all its business operations, Casino Group joined the EDH (*Entreprises pour les Droits de l'Homme* – Businesses for Human Rights) association in order to identify business-specific risks and brainstorm with other international groups. It supported and participated in the

preparation of a training module on the topic of human rights in the company and the creation of a guide to evaluating human rights-specific risks. In 2014, it supported the development of an e-learning module which will be provided to managers.

## 8.4.2. ENCOURAGING THE CSR INITIATIVES OF SMES

Since its inception, the Casino Group has maintained a close relationship with its suppliers (SMEs, farmers, cooperatives).

- In France, to improve supplier relations, as a party to the differentiated platform set up between the FEEF (*Fédération des entreprises et industriels de France*) and the FCD (*Fédération du Commerce et de la Distribution*), the Casino Group has developed several Initiatives for SMEs such as appointing an SME officer to facilitate relations and organising annual buyer immersion courses in SMEs.

It also works with the FEEF and ANIA (*Association Nationale des Industries Alimentaires*) and with the *Club d'Entreprise Agro-développement*. In 2014, it organised an SME Forum which was attended by heads of companies and a supplier forum with the GoodPlanet Foundation on the topic of sustainable consumption which attracted some 80 businesses. Four prizes were awarded to highlight the best CSR initiatives of the suppliers. It also developed a guide featuring the Group's CSR commitments with buyers.

To better address CSR issues and in particular environmental impact by local SMEs, the Group's Quality department together with the Purchasing and Marketing departments rolled out several supplier support plans to:

- encourage the use of fewer pesticides and develop more environmentally and animal friendly production, cultivation and livestock practices by providing assistance to "Terre et Saveurs" suppliers, producers, cooperatives and livestock farmers;
- obtain one of the official certifications/labels below for the "Casino Avenir" product range: "European Ecolabel" (official European label delivered in France by Afnor), "NF Environnement" (the French ecolabel), "FSC" (Forest Stewardship Council) or "PEFC" (Programme for the Endorsement of Forest Certification);

- obtain the "AB" and European certification for organically-farmed produce (Casino, Leader Price or Monoprix);
- provide a tool for them to measure the environmental footprint of products and identify alternatives to improve this footprint (see Section 8.3. "A responsible retailer").

In France, Casino evaluates the policies and actions taken by sub-contractors (service companies, etc.) to fight against discrimination and promote diversity as required by its commitments under the Diversity Label. In 2014, the Group issued guidelines to service providers to promote its diversity commitments to SMEs.

- Outside France, the Group organises an annual gathering of private-label local suppliers based in the Group's major host countries (Brazil, Colombia) for a one-week seminar on the Group's requirements.

In Colombia, Grupo Éxito continued to roll out its Good Agricultural Practices certification programme for its fruit and vegetable suppliers with 21 suppliers certified to date and 20 or more integrated in the programme this year.

In Brazil, GPA continued the rollout of its "Quality from the source" programme. The programme involves fruit, vegetable and egg suppliers and seeks to check upstream the use of pesticides, transport and storage of products.

In Thailand, Big C implements actions with SMEs and fresh produce suppliers to improve the quality of their products and production practices by training them in Good Manufacturing Practices (GMP) and Good Agricultural Practices (GAP). 28 major local suppliers were audited in 2014 under this Quality programme.

In Vietnam, Big C meets and evaluates vegetable producers to promote the use of GAP.

## 8.4.3. SUPPORTING LOCAL PRODUCTION CHANNELS

Most of the Group's banners source their products from small producers or SMEs based in their host countries.

The Group helps local suppliers to make their production and logistics, manufacturing standards and administrative management more professional, to enable them expand their business operations beyond their commercial relationship with the Group.

- In France, in addition to the actions implemented, the Casino stores continued to shed a positive light on local producers through the "Le Meilleur d'ici" concept that seeks to support local producers based within a radius of less than 80 km from the store by sourcing from them and showcasing their products.

"Le Meilleur d'ici" label is carried by 421 Casino supermarkets and hypermarkets in France. The banners also showcase the "Terre et Saveurs" and "Club des sommeliers" brands through special relations with the agricultural sector (cooperatives, livestock farmers, oyster breeders, etc.) and agreements with the lamb and beef sectors.

To support dairy farmers, Casino has been selling since 2013 the "Lait des Monts du Forez" label to provide an outlet for 65 dairy farmers in serious economic and financial difficulty following the shutdown of an AOC cheese manufacturing facility. Similarly, Franprix continues to promote the dairy farmers from the Lot Valley region and has developed its local products offering inside the Franprix market area.

Casino continued to support small-scale fishing through the deployment of the “La Criée” concept by partnering with numerous Atlantic and Mediterranean ports. Daily distribution channels were specifically implemented to directly offer the catch of the day to consumers in the various stores. In 2014, Monoprix rolled out its “Monoprix coastal fishing” (*pêche côtière Monoprix*) initiative which involves the sale of fish from environmentally-friendly fishing practices that promote species renewal.

- Banners outside France are also taking action to support local producers. Grupo Éxito is developing its commercial relations with small-scale fruit and vegetable producers, which began in 2013 in various regions of Colombia, and supported 57 suppliers in 2014 through a programme set up with the “EAFIT” University for training in supply chain quality and improvement.

GPA continues to support the “Caras do Brasil” programme which allows small-scale cooperatives to sell their products via “Pão de Açúcar” stores. Social and environmental criteria were included in the selection of producers for this programme, whose products are showcased in stores especially during the “Produto feliz” campaign carried out during the end-of-year holiday season.

Vindémia in Reunion promotes local produce under the “Nou la fé” range and rolled out the “Le meilleur d’ici” concept in its Score hypermarkets and Jumbo Score supermarkets.

In Vietnam, SMEs and local suppliers are a major pillar of commercial development especially with respect to store openings in rural areas; six SME seminars were organised this year to mark the opening of four new stores. A dedicated SME department was created to manage SME-specific supplier contracts. So far, 205 contracts have been signed with producers from nine regions in Vietnam.

## 8.5. AN ENVIRONMENTALLY-COMMITTED GROUP

### 8.5.1. GENERAL ENVIRONMENTAL POLICY

The Casino Group defined its environmental commitments in 2003 and reasserted them by endorsing the United Nations Global Compact and unveiling its CSR progress initiative designed around four environmental priorities.

To prevent and manage the environmental risks linked to the Group’s business lines, the Environmental department, which reports to the CSR department, oversees environmental priorities, coordinates the sharing of best practices and monitors action plans. The Environmental department implements a continuous improvement plan to drive the environmental performance of the Group’s activities. In France, this plan is based on “environment officers” who meet in “Green excellence” working groups and share a collaborative platform where best environmental protection practices are centralised and published.

International subsidiaries have also developed their local organisations focused on addressing their specific environmental challenges and achieving Group-defined objectives.

The Group’s identified priorities concern:

- reducing greenhouse gas (GHG) emissions;
- improving energy efficiency;
- reducing and recovering waste;
- protecting the biodiversity of ecosystems.

The environmental policy is tailored to each business line and entity to address specific local issues.

### 8.5.2. RAISING AWARENESS

To raise employee awareness of environmental issues and share best environmental protection practices, the Group’s various internal media such as the Intranet and the Regards newsletter regularly report on topics such as waste management, preservation of natural resources, energy savings, biodiversity and food wastage.

In 2014, the Group developed a guidebook entitled “Eco-friendly gestures in stores” (*Guide des écogestes en magasins*) to inform managers and employees about environmental impacts, the initiatives implemented to reduce them and the expected actions. This guide book tackles subjects such as energy, waste, greenhouse gases and food wastage.

The Group continued its initiatives to reduce food waste, especially in partnership with the French Food Bank Federation [see Section 2.8.6] and the “Choisir, c’est agir” campaign implemented with the GoodPlanet Foundation [see Section 2.8.3].

In the context of the CSR Agreement, Casino pledged to address environmental issues when updating its business training courses to improve employee awareness: for example in 2014, the “seafood” training was updated to include sustainable fishing issues with the provision of an e-learning module and an educational graphic novel.

Outside France, GPA organised a seminar which attracted 85 managers from different banners to improve their awareness of environmental issues and the related good practices implemented. Multivarejo and Viavarejo rolled out environmental training courses for stores with a particular focus on the recycling programme.

Vindémia rolled out the “Together, let’s recycle more and better” (*Ensemble recyclons plus, recyclons mieux*) campaign in Casino stores in metropolitan France in 2012 and 2013 to encourage customers to return their used items for recycling.

Libertad in Argentina takes advantage of Environment Week or Arbor Day to educate customers and employees. For example, the subsidiary organised in 2014 the second edition of the "My green world" *[Mi mundo verde]* competition for children of employees and customers to reward the best environment-related drawing.

Grupo Éxito continued to improve its employees' awareness of best environmental practices.

### 8.5.3. SUSTAINABLE CONSTRUCTION AND CERTIFICATION

In France, more than 500 stores (Géant and Casino supermarkets) are ISO 50001 certified for the energy management system deployed by GreenYellow. In addition, four warehouses are ISO 14001-certified for their environmental management and four shopping centres are labelled "BREEAM in use" for the environmental efficiency of the buildings.

Outside France, three Pão de Açúcar stores obtained the North American LEED (Leadership in Energy and Environmental Design) certification. In Vietnam, the "Green Square" shopping mall is certified "LEED GOLD" and "LOTUS SILVER", a building certification system that guarantees compliance with the environmental standards developed by the Vietnam Green Building Council (VGBC) and recognised by the World Green Building Council and the Vietnam Construction Ministry.

### 8.5.4. REDUCING GREENHOUSE GAS (GHG) EMISSIONS TO FIGHT GLOBAL WARMING

#### Measuring greenhouse gas emissions

Given the globalisation of its business operations, the Group standardised the carbon reporting practices of its subsidiaries in 2012, the very year in which the Environment department began tracking GHG reduction plans.

Every year, the Group's subsidiaries perform their Scope 1 and Scope 2 GHG inventories to track the effectiveness of their reduction plans, using this methodological framework.

The main sources of emission in the Group's scope of operations include:

- refrigerant discharges linked to leaks in refrigerating units which account for more than 50% of Scope 1 and Scope 2 emissions;
- energy use of facilities;
- fuel combustion required for the transport of goods.

<i>(in metric tons CO<sub>2</sub>e)</i>	Total Group 2013	Total Group 2014	France	Latin America	Asia/Indian Ocean
Scope 1 GHG = direct emissions from combustions (gas and fuel) and refrigerant discharges	1,350,000 <sup>(a)</sup>	1,430,000	440,000	810,000	180,000
Scope 2 GHG = indirect emissions from energy use (electricity, steam, heat and cold)	940,000	880,000	90,000	260,000	530,000
<b>TOTAL SCOPE 1 AND SCOPE 2 GHG</b>	<b>2,290,000</b>	<b>2,310,000</b>	<b>530,000</b>	<b>1,070,000</b>	<b>710,000</b>

*(a) Adjusted scope includes transport of goods under operational control. See methodological note on page 236 for details about the scope of reporting and the calculation method.*

#### Reducing greenhouse gas emissions

The Group encourages its subsidiaries to focus on the reduction of their direct emissions.

The Group focuses on the reduction of GHG emissions from leaks of refrigerants which contribute to global warming. Measures taken by subsidiaries include designing strong containment for the circuits of existing facilities and setting up pilot refrigeration systems that use fluids with low global warming potential (hydrocarbons, CO<sub>2</sub>, NH<sub>3</sub>).

In order to identify the appropriate technical solutions for the safety conditions, the climate and regulations of its host countries, the Group organises the sharing of experience from pilots implemented by its subsidiaries. In France, ten or more Casino supermarkets produce part of their refrigeration with installations that operate with CO<sub>2</sub>; three warehouse platforms are cooled with

installations powered by ammonia. In Brazil, GPA is testing CO<sub>2</sub> refrigeration with pilot facilities.

In 2014, the Group implemented, with the support of ADEME (the French Agency for the Environment and Energy) and a specialist firm, a study to consolidate best practices feedback on experience gained from the maintenance of existing installations and pilot installations operating with reduced loads or zero HFC; compare the eco-efficiency of the main identified solutions; and develop a calculation tool that can be used to compare the proposed refrigerating solutions.

To reduce greenhouse gas emissions linked to the transportation of goods, the Group is prioritising the development of action plans to reduce mileage and optimise the truck load factors through partnerships aimed at pooling transport capacities upstream and downstream of Casino's facilities.

In 2014, the Group Transport departments in France and abroad adopted a common method to calculate their CO<sub>2</sub> performance by metric ton-kilometre of activity. This indicator for measuring the impact of transports between the Group's warehouses and its stores tracks the GHG reduction plans rolled out by the supply chain teams.

- In France, the Group has developed a multi-modal strategy which uses river transport to deliver goods to Franprix stores in Paris and stackable handling equipment to optimise truck space. The Citygreen programme promotes the use of transport solutions that meet the most demanding standards of air and noise pollution, especially through the use of Piek-Nitrogen trucks.
- Outside France, Grupo Éxito continues its actions to reduce emissions linked to the transport of goods by optimising truck load factors and raising loading capacities and by centralising import flows in order to use containers more efficiently; Big C Vietnam developed its deliveries by using waterways for stores located in the centre and northern regions of the country; GPA continues to develop its programme launched in 2006 aimed at reducing the number of trucks returning empty to warehouses after deliveries by having them carry the load of other suppliers.

57 suppliers were involved in the initiative in 2014. Big C Thailand also developed a programme to optimise truck loading.

Improving the energy efficiency of stores [see the "Energy" section below] helped to reduce the greenhouse gas impact of electricity use, with varying carbon performance depending on the carbon intensity of electricity in each country.

## Adapting to climate change

To reduce vulnerability to climate change, the adaptation policy of subsidiaries focuses on addressing the risks of increase in the number of extreme climate events, such as the risk of cyclones for operations in Reunion Island and flooding in Thailand.

The Group strives to abide by applicable regulations and has built the infrastructures required to manage rainwater and contain overflows. It also endeavours to implement innovative solutions (green roofs for example) to these problems. Companies exposed to this type of risk develop and maintain business continuity plans in collaboration with suppliers and public authorities in case of extreme weather events.

## 8.5.5. SUSTAINABLE USE OF RESOURCES

### Energy

	Total Group 2013	Total Group 2014	France	Latin America	Asia/Indian Ocean
Total electricity used – MWh	4,785,537	4,603,474	1,506,265	2,060,961	1,036,248
Natural gas – MWh NCV	268,475	193,543	133,156	60,387	0
Water consumption – m <sup>3</sup>	15,910,757	15,204,612	1,399,381	5,855,839	7,949,392

*The total coverage rate in retailing area was 91% for energy and 79% for water.  
See methodological note on page 236 for details about the scope of reporting and the calculation method.*

All the Group's entities seek to cut down operating expenses primarily by improving the energy efficiency of their stores. Store lighting and food refrigeration are the two major energy-intensive (mainly electricity) operations.

The concern to reduce energy use is addressed in a continuous improvement process based on monitoring consumption, energy audits of sites and an energy renovation programme (Energy Efficiency Contracts), implemented by GreenYellow (Group subsidiary in charge of energy savings).

The Group entities are urged to define reduction targets and action plans to identify the most eco-efficient solutions.

- In France, 90% of Géant hypermarkets and 45% of Casino supermarkets operate under energy efficiency contracts. Furthermore, in accordance with the sector's commitment taken with the Government to equip 75% of positive-temperature refrigerant cabinets with doors before 2020, 93% of hypermarkets and 44% of Casino supermarkets installed such equipment in 2014.

- In international subsidiaries, actions to reduce the energy use of stores were implemented in all the entities in order to regularly check consumption, train employees and optimise operating processes in stores and at the head office.

In Vietnam, new stores are built according to Green Building standards and are equipped with the latest low-consumption equipment (low-energy lighting, enhanced insulation of buildings, doors on chilling units, etc.) and with a building management system (BMS) which helps to optimise the use of lights and air-conditioning.

In Brazil, the construction of three pilot stores validated the energy savings solutions tested by GreenYellow which will be deployed by GPA in 2015, especially with respect to lighting and air-conditioning.

In Colombia, 53 stores are managed under energy efficiency contracts deployed in partnership with GreenYellow. Vindemia also adopted this initiative which covers eight stores.

The Group's electrical use in France fell by 6.7% in absolute value compared to 2013.

To support the development of renewable energy, in 2007 GreenYellow launched a solar installation development programme on car park canopies and hypermarket rooftops, mainly in the Indian Ocean region with Vindémia.

In 2014, 58 power plants were connected with a photovoltaic panel surface area of around 489,470 sq.m. for an installed capacity of 97 MWc generating 112,127 MWh per year.

## Water

The Group operates in regions with low to medium water stress risk and mostly uses water from municipal networks, primarily for cleaning purposes.

The Group is aware of the importance of water management and therefore encourages initiatives to reuse rainwater and limit consumption from drinking water networks.

- In France, since 2013, the Easydis warehouses implement a responsible water management policy which entails collecting rainwater (five warehouses have the necessary equipment) and monitoring water consumption in real time by remote metre reading to detect water leaks. In 2014, 58% of Casino supermarkets and 10% of hypermarkets were fitted with flow regulators. The new construction projects include, whenever possible and right from the design phase, rainwater collection and treatment systems.
- The Group's international subsidiaries monitor their consumption and have developed leak detection systems. GPA's Pão de Açúcar and Extra banners have installed a system for the continuous tracking of water consumption levels in all their stores.

## 8.5.6. REDUCING AND RECYCLING WASTE AND CONTROLLING POLLUTION

### Operational waste

The operation of Casino stores mainly generate cardboard, plastic, paper and biodegradable waste.

Subsidiaries have set targets to reduce their waste and increase the recovery rates and accordingly help to develop and sustain local recycling networks. More than 230,000 metric tons of waste (cardboard, plastics, organic) were recovered by the Group's sites. The subsidiaries continued to train their employees in sorting techniques in stores and in warehouses mostly with respect to plastics and organic waste.

- In France, stores and warehouses sorted over 122,400 metric tons of waste for subsequent recovery by accredited service providers.
- Outside France, Grupo Éxito recovered more than 20,000 metric tons of waste from its operations. GPA continues to roll out its integrated waste management system which includes sorting (composting of organic residues, recovery of recyclable residues) in its food stores and warehouses. In 2014, this system was applied in 147 stores (an 86% increase over 2013). Libertad continues to implement its recycling programme for cardboard, paper, and pallets used to carry goods.

### Customer waste collection services

To encourage the recycling of used products, the Casino Group implements actions to educate customers about sorting and provides collection bins in its stores.

At Group level, 396 metric tons of batteries, 67 metric tons of light bulbs, 2,565 metric tons of electrical appliances, 10 metric tons of ink cartridges, 5,666 metric tons of cardboard and around 8,000 metric tons of other waste were collected for recovery.

- In France, thanks to communication campaigns and collection units provided in Casino stores, the Group collected in 2014: 202 metric tons of used batteries in Casino Group stores and warehouses, 32 metric tons of light bulbs, 10 metric tons of printer consumables (ink cartridges) and 248 metric tons of waste electrical and electronic equipment (WEEE). Monoprix stores collected 98 metric tons of batteries, 24 metric tons of light bulbs and 7 metric tons of WEEE. Cdiscount collected 1,971 metric tons of used electrical household appliances.
- Outside France in Brazil, GPA proposes to customers of Pão de Açúcar and Extra stores various types of collection services for recycling packaging (cardboard, glass and plastic) at the 266 recycling stations provided, telephones under the "Alô Recicle" programme, batteries and expired medication. More than 14,000 metric tons of waste were collected from customers who are regularly informed of good recycling practices through communication campaigns.

Big C in Thailand is gradually installing cellphone collection bins in stores. It also collects milk boxes which are recycled and used in its Green Roof programme which entails manufacturing roofs for the homes of victims of natural disasters.

In Colombia, Éxito and Carulla have installed roughly 230 in-store collection points where batteries, electrical and electronic appliances, and medication are collected for recycling.

Libertad in Argentina also installed bins in its stores to collect customer wastes such as glass, certain packaging or used oil.



## Limiting air and noise pollution

In France, to reduce the noise from delivery trucks, Easydis, a Casino Group subsidiary, now uses a fleet of Citygreen brand trucks compliant with the Piek standard, *i.e.* with a certified noise level below 60 decibels, and hybrid vehicles which switch to silent mode one kilometre away from their delivery point.

These trucks reduce day-time traffic in city centres and suburban areas through their clean and silent night-time deliveries. Franprix's choice to deliver goods to its 80 stores in France using waterways results in the avoidance of more than 450,000 km of truck transport in urban areas every year and less noise pollution. Monoprix stores receive their deliveries from silent trucks running on CNG, thus contributing to reducing fine particles, which are harmful to health.

## 8.5.7. PROTECTING BIODIVERSITY

The Casino Group reasserted its commitment to promote biodiversity in its Group Ethics Charter under commitment no. 8: "Helping to protect biodiversity".

### Reducing the impact of buildings on biodiversity

Casino Développement drafted and circulated a good practices guide on managing areas and protecting biodiversity. The property development management teams have trained in these practices.

### Protecting biodiversity in Brazil

GPA has implemented a traceability approach on the lamb and beef sectors of its Brazilian suppliers to guarantee their provenance and avoid participating in deforestation linked to livestock farming. GPA primarily checks that the meat does not come from animals reared in regions protected by the Brazilian Institute for the Environment and Renewable Natural Resources (IBAMA).

## 8.6. A ENGAGED LOCAL CORPORATE CITIZEN

As a local operator with strong roots in regional communities (city centre, suburban and rural areas), the Casino Group has a positive impact on local economic development, solidarity in the regions and efforts to fight poverty and exclusion.

### 8.6.1. SUPPORTING FOOD BANKS

The Group encourages partnerships with food banks in its host countries.

- In France, the Group strengthened its commitment towards the most vulnerable populations by galvanising its stores to support the French Federation of Food Banks (FFBA). The Group signed a partnership with the FFBA in 2009, which was renewed in 2013 for three years.

## Preventing soil contamination

The operations of service stations owned by the Group undergo ongoing inspections according to very strict standards. A soil contamination prevention initiative was launched in France which consisted of surveying the underground soil and water and comprehensive monitoring of the underground. Outside France, service stations owned by Grupo Éxito and GPA are also inspected regularly to prevent any risk of contamination.

### Protecting the forests

The Group has launched various initiatives to encourage the protection of forests and reforestation. In France, the funds raised by the operation rolled out between 2011 and 2013 in partnership with SOS Sahel in Casino, Franprix and Monoprix stores and one of its suppliers were used to finance the planting of around 3.4 million trees in the Sahel. Under its "Mi planeta" programme, Grupo Éxito in Colombia helped to plant more than 190,000 trees.

Libertad launched the "Marcas Verdes" programme together with a supplier, which raised funds to protect endangered animal species in the Gran Chaco region.

The Group implements targeted actions to reduce the impact on biodiversity of its private-label products and those of its food suppliers in Brazil (see Section 2.8.3).

It encourages its banners, through the CSR progress initiative, to get involved in more community outreach partnerships with key general interest organisations such as food bank networks, to develop local outreach actions in stores and to support the actions of its Foundations.

Under this agreement, the Group undertakes to increase the number of stores involved in daily pick-up and during the food bank national collection day each November. The Group also pledged to implement innovative operations to raise funds for the Federation.

- In France, 5,444 metric tons of products were collected in 2014 under the daily pick-up programme and 1,187 metric tons were collected from customers.
- Outside France, GPA organised in Brazil for the second consecutive year a large-scale collection day in 820 stores with the support of 1,000 voluntary employees for several charities, including *Amigos de Bern*, *Banco de Alimentos* and *Mesa Brasil*. 500 metric tons of food products delivered to partner institutions were collected during this day by GPA, including the 145 metric tons donated by Instituto GPA.

In Argentina, Libertad pledged in 2013 to support the Argentinian food bank network for three years (*Red Argentina de Bancos de Alimentos*) and organises in-store collections twice a year (13 metric tons collected in 2014).

In Colombia, Grupo Éxito continued the partnership initiated several years ago with 24 local food banks and collected more than 2,350 metric tons of goods in 2014. It also supports a programme to recover agricultural surplus from rural areas.

Lastly, Vindémia collaborates with the *Réseau Réunionnais d'Aide Alimentaire* (2R2A), the food bank network in Reunion, to pick-up products in Casino Group stores and organise collections from customers.

In 2014, the Group thus donated more than 12,980 metric tons of products, or the equivalent of 25.9 million meals to the food banks network from its collection and pick-up operations.

Tonnage of goods for food banks	France	International
Donations in stores and warehouses (pick-up) – metric tons	5,444	5,326
Collection from customers – in metric tons	1,187	1,025

## 8.6.2. NATIONAL AND LOCAL OUTREACH PROGRAMMES

To support national and local associations, the Group's stores and warehouses organise non-food donation and collection operations. The Group also encourages the participation of its suppliers.

- In France, illustrating its commitment to respond to the diversity of needs, the Group supported through its actions several charities such as *Secours Populaire*, the Red Cross, *Les Apprentis d'Auteuil*, *Agence du Don en Nature*, *Emmaüs*, *Dr Souris*, *Gol de Letra*, and *Handi'Chien* in 2014.

Franprix rolled out in all its integrated stores the "Rounding-up" (*L'arrondi*) initiative which offers customers the opportunity to round up their check-out bill to the next euro as a way of collecting funds for the *Secours Populaire* and the Red Cross; Monoprix organised the fifth annual large collection of clothes for *Emmaüs* (378 metric tons of clothes have been collected since 2011).

During the World Cup, Casino organised a fundraising operation for the Franco-Brazilian charity *Gol de Letra*, chaired by the former football player Rai, to support children from favelas, and continues to support through non-food product donations the solidarity flea markets of *Apprentis d'Auteuil* and *Agence du Don en Nature*.

The banners also support associations through shared product campaigns conducted with suppliers.

For example, Géant Casino, Casino supermarkets, Franprix and Monoprix with Danone rolled out the "Let's put a smile on the faces of sick children" (*Offrons un sourire aux enfants malades*) operation by the *Dr Souris* association which resulted in equipping five additional hospitals and 2,000 beds with computers, internet connection and learning content to help sick children stay in touch with the outside world.

Stores and warehouses are encouraged to organise operations to support local associations, especially under the "A socially-responsible local operator" programme ([www.acteurlocalengage.com](http://www.acteurlocalengage.com)). Every year, Casino stores roll out several hundreds of actions to support these associations. Monoprix introduced a "microDon" (micro donation) card to customers in 59 stores to collect funds for 45 local associations.

- Outside France, reflecting the diversity of banners and needs and the Group's solidarity commitment, numerous outreach programmes were rolled out by all banners.

Big C Vietnam financed 12 projects (construction of a kitchen for a nursery school, medical equipment, etc.) under the "Big C Community" programme, renewed for the fourth year. In association with a supplier, the banner organised an outreach operation to support low-income families by giving them staples, and also makes direct donations through the local Red Cross association.

Big C Thailand, which in 2013 celebrated 20 years of outreach initiatives to local communities, continues to implement initiatives to support the communities living near supermarkets and is still active in the area of emergency help by supporting the local Red Cross and donating staples to families in need. It also supports the Slum Child Foundation with food donations. Together with its suppliers, Big C Thailand has set up a shared products operation to support children suffering from heart conditions.

Under its "Juntos en Acción" CSR programme, Libertad continues to develop various solidarity actions for children's associations and organises an annual collection of clothes (2,627 kg collected) and toys (1,728 kg collected).

The Disco Group banners in Uruguay support various foundations which primarily support hospitals (financing of medical equipment) or the education of disadvantaged young people (financing given to educational structures and programmes).

### 8.6.3. THE ACTIONS TAKEN BY FOUNDATIONS

The Casino Corporate Foundation liaises with other Group foundations such as Instituto GPA and the Viavarejo Foundation in Brazil, the Éxito Foundation in Colombia and the Big C Foundation in Thailand to help children in need. In France, the Monoprix Foundation focuses its activities on providing access to food and staples and fighting isolation in cities.

The Casino Corporate Foundation, which celebrated its five years in 2014, expanded its two key programmes:

- “Artists at School”, launched in 2011 in partnership with France’s Ministry of National Education and the Odéon theatre, supports ten artistic and cultural education projects given to 2,100 children in cut-off urban or rural areas; 300 students had the opportunity to attend shows at the Odéon and Saint-Étienne theatres;
- “Local initiatives”, which in 2014 supported local projects proposed and sponsored by Group employees. Out of all the projects, the Foundation picks one as its favourite. In 2014, it selected *Les Trêteaux Blancs*, an association comprising a drama group of children acting in plays for hospitalised children, and granted it extra funding for its educational initiative.

The Monoprix Foundation, which also celebrated its fifth year in 2014, supported 13 charity projects, including seven projects sponsored by employees. A solidarity week was organised to encourage employees to participate in community outreach activities.

The Éxito Foundation in Colombia specialises in initiatives to fight infant malnutrition and its expertise is recognised by stakeholders. It supports local associations to guarantee healthy and balanced nutrition for children and future mothers from underprivileged backgrounds and educate them about better nutrition. It implements its initiatives under the “Gen Cero” programme which has the ambition of wiping out malnutrition in Colombian children under five years by 2030. The Foundation cooperates

with major Colombian national bodies to implement its project. More than 35,500 children, 3,500 pregnant women and 7,600 families benefited from these programmes in 2014.

The Big C Foundation in Thailand focuses its work on promoting education for young people by giving financial support to those from modest backgrounds (more than 6,000 scholarships granted in 2014) and by co-financing the construction of schools (four new schools were built in 2014, a total of 41 built to date) or sports facilities (11 basket ball courts financed to date). The foundation also assists schools by giving them books or sponsoring their drinking water network.

The GPA Institute develops educational programmes to help young people from modest backgrounds find jobs in Brazil. Through eight centres, it offers free English classes and training for jobs such as store attendants, check-out workers and call centre workers. In partnership with the Rio de Janeiro government, the Foundation supports the NATA vocational training centre which gives students from modest backgrounds the opportunity to receive training in bakery and dairy trades. Instituto GPA is also recognised for its musical apprenticeship programme: created in 1999, the “Musica & Orquestra Instituto GPA” programme has trained 13,000 disadvantaged young people aged between 10 and 18 in the States of São Paulo, Brasília and Rio de Janeiro over a period of 15 years. The programme proposes free musical theory and practice classes over an average period of two years to young people from underprivileged backgrounds. The orchestra plays in stores, but also in theatres, at festivals, in Brazil and abroad and was invited to play at the Carnegie Hall in New York (US) in 2014.

Lastly, Instituto GPA had developed a partnership with the Getulio Vargas Foundation to roll out a merit-based scholarship programme known as “Prosperar” which received its first ten scholarship students in 2014.

## 8.7. ANTI-CORRUPTION POLICY

The Casino Group signed the United Nations Global Compact in 2009 and rolled out its Group Ethics Charter in 2011 with nine commitments.

The Charter has been translated into four languages and circulated to all Group Human Resources departments and is available on the Group’s Intranet. It reasserts the Group’s commitments to “prohibit any form of corruption or financial malfeasance” (commitment no. 2) and “apply fair practices in all its business relations and ensure fair treatment for all” (commitment no. 7).

The signature of the Global Compact in 2009 and the Ethics Charter underline the Group’s determination to fight corruption and address human rights issues within its area of influence.

The Group’s anti-corruption programme falls under the aegis of the executive management of each of its entities. Through awareness initiatives, the Group’s Internal Control department assists the Group’s business units in defining their anti-corruption action plans.

In particular, it distributed a guide identifying stakeholders’ expectations together with good practice guidelines for

subsidiaries in France and abroad, grouped into four segments: awareness, prevention, detection and reaction. The department also performed an audit of anti-corruption systems based on information reported by all Group entities.

Actions plans were defined by the entities to address any risk areas. The Internal Control Newsletter, issued monthly since 2010 to the Finance departments of the Group entities, has dealt in particular with topics related to business ethics and anti-corruption.

In France, the Group circulated its Business Code of Conduct which reminds employees of the rules to be followed in their professional activities and covers the protection of the Group’s interest, conflicts prevention, competition, corruption and insider trading.

The ethical whistle-blowing systems rolled out by Casino include the creation of a unit for reporting discrimination. Employees may contact the unit confidentially and report an actual or presumed discrimination as a victim or witness. The system was approved by the CNIL on 13 October 2011.

The Group's key international entities such as Big C Thailand, Big C Vietnam, Éxito, Libertad and GPA deploy Codes of Ethics or Codes of Conduct and ethical whistle-blowing systems. These systems are part of a comprehensive policy for compliance with the ethical principles defined at Group level and transmitted locally.

Grupo Éxito rolled out a "Transparencia" (transparency) programme in 2012 under which employees, as well as customers, suppliers, shareholders and third parties with business or contractual relations with the Group can report by email or phone any facts in violation of Éxito's principles of integrity, transparency, dignity and equity (conflict of interests, embezzlement, etc.).

In 1999, GPA implemented an ethical whistle-blowing system ("LigAção") available both internally (to employees and managers) and externally (to customers, suppliers and shareholders), which

allows anyone to report actual or presumed cases of fraud, corruption, theft, or facts related to employment law. The reports are analysed and processed by Internal Audit.

Viavarejo also implemented such a system in 2008. In 2012, Libertad launched its "Libertad Transparente" programme with the objective of highlighting all Libertad initiatives related to compliance with ethical standards and transparency (Code of Conduct, Conduct Analysis Committee and whistle-blowing email address).

Big C in Thailand also introduced a system in 2008 for its employees, customers, suppliers and shareholders for reporting any case of fraud or corruption by people in positions of responsibility. The reports can be sent by email or by post.

## 8.8. LOBBYING

Through its Public Affairs department, the Casino Group lobbies in its host countries to talk to, discuss with and inform elected officials involved in making legislation and participates in the work of the various federations representing its sector.

The Group strives to maintain regular and open dialogue, essential for building public policy. In France, the Group reported its activities as a representative of an interest group to the French

Parliament (*Assemblée Nationale*) and the European Parliament and is a member of the Trade and Retail Federation in France (*Fédération du Commerce et de la Distribution – FCD*), and of the AFEP (*Association Française des Entreprises Privées – the Association of Private Sector Companies in France*). The Group follows the applicable laws in its host countries relating to corporate financing for political parties.

## 8.9. CSR INDICATORS REPORTING METHODOLOGY

### 8.9.1. REPORTING SCOPE

Unless otherwise specified, CSR data concerns all business activities under the operational control of the Casino Group or its majority-owned subsidiaries in France and abroad. The data does not cover affiliates, franchises and business leases. Reporting is on a fully consolidated basis (data included at 100%).

The scope of CSR reporting is the same as the Group's financial reporting:

- "France" comprises the activities under the Casino, Monoprix, Cdiscount, Franprix and Leader Price banners and shared services (logistics, purchasing, human resources, etc.);

- "Latin America" encompasses GPA and its entities (Multivarejo, Viavarejo, Assai and CNova Brasil), Libertad SA, Grupo Éxito and Disco Devoto;
- "Asia/Indian Ocean" comprises Big C Thailand, Big C Vietnam and Vindémia and its entities (in Reunion, Mayotte, Maurice, and Madagascar);
- "the Group" includes the consolidated data.

For data availability reasons, certain indicators still do not cover all the scopes mentioned above. Work is underway to enable the CSR reporting to cover all of the Group's activities.

### 8.9.2. REPORTING PERIOD AND ACCOUNTING PRINCIPLE

The data collected covers the activity of the concerned entity or entities for the period starting on 1 January and ending on 31 December of the reference year, except for workplace accident frequency rates, workplace accident severity rates and the number of lost hours for Casino, which cover the period from 1 December 2013 to 30 November 2014.

Unless otherwise specified, all non-environmental data reflects the full range of activities carried out by the concerned entity or entities and therefore covers facilities opened or closed during the year.

Unless otherwise indicated, the environmental data covers administrative and logistics sites, as well as stores in service between 1 January and 31 December of the reference year.

### 8.9.3. DATA GATHERING

The procedures for gathering, calculating and consolidating corporate social responsibility (CSR) indicators were formally defined in 2003 in a Reporting Protocol distributed to all those involved in reporting in France and in foreign subsidiaries. Since then, improvements are made each year to guarantee:

- compliance with the requirements of the application decree relating to Article 225 on the transparency obligations for corporate CSR reporting;
- consistent calculation methodologies in all subsidiaries in France and abroad;
- the reliability of reported data.

This protocol specifies:

- the organisation of the CSR indicators' gathering, validation and consolidation process;
- responsibilities at the various process levels;
- the reporting scope and the principles for taking account of changes in scope (disposals, acquisitions);
- useful definitions for the proper understanding of required data;
- the methodologies for calculating indicators, consistent with applicable international or national reporting standards.

### 8.9.4. CONSOLIDATION AND DATA MANAGEMENT

The protocol introduces control points to limit the risk of error in the transmission of information and ensure the reliable production of indicators. Accordingly, each Group subsidiary designates its CSR contributors (one per indicator), who are responsible for gathering, checking and consolidating the data for their reporting scope.

The indicators are then validated by the subsidiary's unit in charge of producing the indicator.

All the data is then gathered and consolidated centrally by the Group CSR department, which also conducts a series of controls to check its consistency and compliance with the calculation methods and the reporting scope.

### 8.9.5. EXTERNAL AUDIT

The reporting procedures and tools, as well as selected key indicators, were audited by Ernst & Young, our Statutory Auditors.

The conclusions of this audit are reported on page 239 of this Registration Document.

### 8.9.6. BACKGROUND

The Casino Group mainly operates in emerging countries and in France.

Each subsidiary deploys local policies and initiatives in accordance with the Group's CSR policy.

The Group's host countries have significant economic, social, cultural and regulatory differences. Consequently, significant

differences exist between the various geographic regions where the Group has operations, especially for the following indicators:

- Total number of lost hours
- Total number of training hours
- Number of employees with reported disabilities

### 8.9.7. SPECIFIC METHODS

#### Employee data

- Workforce: indicators about workforce are recognised at 31 December 2014 and do not include contracts expiring on that date.
- Employees with disabilities: the status of employee with disabilities is defined by the laws applicable to each of the Group's host countries. In France, they are defined by the provisions of Article L. 323-3 of the French Labour Code.
  - 2013 scope: the data includes a group of entities representing 95% of the Group's workforce.
  - 2014 scope: the data includes a group of entities representing 97% of the Group's workforce.

- Number of lost hours due to workplace accidents and illnesses (including occupational illnesses): commuting accidents are not included in this category.
  - 2014 scope: the 2014 data includes a group of entities representing 75% of the Group's workforce. The data for Viavarejo is incomplete.
- Absenteeism rate due to workplace accidents and illnesses (including occupational illnesses): number of lost hours due to workplace accidents and illnesses (including occupational illnesses) per total hours worked. Hours worked include contractual hours, overtime and additional hours.

- Training:

Includes the following:

- Initial training and continuing training hours as well as distance learning (e-learning) programmes. For French entities, deductible training (on the tax return for helping to develop continuing education or training) and non-deductible training (compulsory fire safety or safety training, short-term training such as familiarisation with a workstation and hygiene training)

Does not include the following:

- Training hours spent in school under a vocational training contract (apprenticeship or work-study); training hours provided to non-Group employees; coaching initiatives implemented on site by supervisors; training programmes for which proof is not received at the reporting date which can lead to the recording of fewer training hours.

## Product data

- Organic agriculture: organically-farmed products are compliant with the local regulations applicable in each country. "Textile" products are not included in this category although some of them are produced with organic cotton.

In France, "Bio" (organic) food products comply with European regulation 834/2007. Certified organic private-label products (*Agriculture Biologique*) cover food and cosmetics that are AB-certified or Cosmebio-certified by independent organisations. Only national brand products from the "consumer products" and "fresh industrial product" categories were reported in 2014. Consequently, the number of products in stores exceeded the number of reported products.

- Fair trade: fair trade certified private-label products comprise food and fresh products that carry the Fairtrade/Max Havelaar label only.
- "Sustainable certified" products include private-label products or national brand products produced through organic farming (excluding textiles made with organic cotton) or fair trade and labelled MSC, FSC, NF Environnement, PEFC, European ecolabel, or ECOCERT.

## Environmental data

All the arrangements described under "Consolidation and data management" are designed to create a secure process for gathering and building the indicators. However, as this process undergoes continuous improvement, corrections may be applied from one year to another, resulting in "revised indicators".

The 2013 and 2014 environmental data does not cover Mayotte, Maurice and Madagascar (0.3% of the Group's net sales in 2014).

- GHG emissions: a methodology guide published by the French Ministry of Ecology, Sustainable Development and Transports and Housing is used to calculate emissions. The organisational scope only includes activities under operational control.

Scope 1 corresponds to direct GHG emissions and includes the items below:

- direct emissions from stationary combustion sources (natural gas, fuel oil),
- direct emission from mobile combustion engine sources (fuel for own or vehicles leased long-term),
- direct fugitive emissions such as those linked to refrigerant leaks.

Scope 2 corresponds to indirect GHG emissions associated with energy and more particularly with electricity.

The Group uses Carbon Base emission factors or factors published by recognised national sources (ADEME version 7.1, GHG protocol 2012 and IEA 2012).

- Sustainable use of resources: water, electricity and natural gas consumption can be measured from meter readings or from the entity's utility bill.

- 2013 water consumption scope: consumption of a group of entities representing 95% of the Group's net sales in 2013.

- 2014 water consumption scope: consumption of a group of entities representing 91% of the Group's net sales in 2014.

- Operational waste: the volume of recovered operational waste includes waste sorted by the Group's facilities and delivered to accredited service providers for recovery. Depending on subsidiaries, it includes the following: cardboard, plastics, paper, office and sales equipment, organic waste, lighting consumables, print consumables, waste cooking oil, sewage grease, bone and tallow, and scrap and metals. Packaging waste or wooden handling stands are not included in the reported values.

- 2014 data: the tonnage disclosed concerns a group of entities representing 99% of the Group's net sales in 2014.

- Hazardous waste is sent for specific local management in accordance with applicable standards. It is collected and stored separately from other types of waste before delivery to specialised and accredited service providers for treatment. It is therefore not included in the quantity of recovered waste.

## 8.10. INDEPENDENT THIRD-PARTY ORGANISATION'S REPORT ON CONSOLIDATED CORPORATE SOCIAL RESPONSIBILITY INFORMATION PUBLISHED IN THE REGISTRATION DOCUMENT

### Year ended 31 December 2014

To the Shareholders,

In our capacity as an independent third party organisation accredited by the French accreditation body, COFRAC<sup>(1)</sup>, under number 3-1050 and as a member of the network of one of the Casino, Guichard-Perrachon's Statutory Auditors, we hereby report to you on the consolidated corporate social responsibility information for the year ended 31 December 2014 [hereafter the "CSR Information"], which is incorporated in Chapter 8 of the 2014 Registration Document pursuant to the provisions of Article L. 225-102-1 of the French Commercial Code.

### Responsibility of the company

It is the Board of Directors' responsibility to prepare a Registration Document including the CSR information provided for by Article R. 225-105-1 of the French Commercial Code, in accordance with the company's CSR reporting protocol dated December 2013 [hereafter the "Reporting Protocol"] a summary of which is provided in Chapter 8, the "Reporting scope" section of this Registration Document.

### Independence and quality control

Our independence is defined by regulations, the Code of Conduct for our profession and the provisions of Article L. 822-11 of the French Commercial Code. In addition, we have implemented a quality control system which includes documented policies and processes intended to ensure compliance with the rules of ethics, professional standards and applicable legal and regulatory texts.

### Responsibility of the independent third-party organisation

Based on our work, it is our responsibility:

- to certify that the required CSR information is included in the Registration Document or, in the event of omission, that an explanation is provided in accordance with the third paragraph of article R. 225-105 of the French Commercial Code (Statement of completeness of CSR information);

- to draw a conclusion expressing moderate assurance on the fact that the CSR information, taken as a whole, is presented in all material aspects in a true and fair manner, in accordance with the Reporting Protocol (Reasoned opinion on the true and fair presentation of the CSR information).

Our work was conducted by a team of five people between October 2014 and March 2015 over a period of approximately fourteen weeks.

We conducted our work as described hereinafter in accordance with the professional standards applicable in France and the decree of 13 May 2013 defining the way in which the independent third-party organisation is to conduct its engagement and in accordance with the ISAE 3000<sup>(2)</sup> international standard regarding the opinion on the true and fair presentation.

### 1. Statement of completeness of CSR Information

Based on interviews with the individuals responsible for the relevant departments, we examined the report on the policy directions in relation to sustainable development, taking into account the social and environmental impact in connection with the company's business activity and its societal commitments and, where applicable, the resulting actions or programmes.

We compared the CSR Information presented in the Registration Document with the list specified by Article R. 225-105-1 of the French Commercial Code.

In the event of the absence of certain consolidated information, we verified that the relevant explanations were provided, in accordance with the provisions of paragraph 3 of article R. 225-105 of the French Commercial Code.

We verified that the CSR Information covered the consolidation scope, namely the company and its subsidiaries as defined by Article L. 233-1, and the companies that it controls within the meaning of Article L. 233-3 of the French Commercial Code, within the limits defined by the note on methodology contained in the "Reporting scope" section of the Registration Document.

Based on this work and given the limits mentioned above, we certify that the Registration Document includes the required CSR information.

<sup>(1)</sup> Scope of the accreditation available at [www.cofrac.fr](http://www.cofrac.fr).

<sup>(2)</sup> ISAE 3000 – Assurance engagements other than audits or reviews of historical information.

## 2. Reasoned opinion on the true and fair presentation of the CSR Information

### Nature and scope of work

We conducted fifteen interviews with those responsible for preparing the CSR information within the departments<sup>[1]</sup> in charge of the processes for collecting information and, if necessary, with those responsible for the internal control and risk management processes, in order to:

- assess the appropriateness of the Reporting Protocol based on its relevance, its completeness, its reliability, its neutrality and its clarity, taking into account, if necessary, best practices in the sector;
- verify that a process had been set up for the collection, compilation, processing and control of the CSR information to ensure its completeness and consistency and to understand the internal control and risk management processes in relation to the preparation of the CSR information.

We defined the nature and the scope of our tests and controls based on the nature and the importance of the CSR information with respect to the company's features, the social and environmental issues in relation to its business activities, its policy directions regarding sustainable development and best practices in the sector.

For the CSR information that we deemed to be the most important<sup>[2]</sup>:

- at the level of the consolidating entity and divisions, we examined the related documentary sources and conducted interviews in order to corroborate the qualitative information (organisation, policies, actions), we implemented analytical procedures on the quantitative information and, based on sampling, verified the calculations and the consolidation of this data and its consistency and conformity with the other information included in the Registration Document;
- at the level of a representative sample of entities which we selected<sup>[3]</sup> based on their activity, their contribution to the consolidated indicators, their location and a risk analysis, we conducted interviews to verify that the procedures were correctly applied and implemented detailed tests on the sample base which consisted in verifying the calculations and reconciling the data with the supporting documents. The sample selected therefore represented on average 31% of the total workforce and 38% of the published quantitative environmental information.

Concerning the other consolidated CSR information, we assessed whether it was consistent with our knowledge of the company.

Lastly, we assessed the relevance of the related explanations in the event of the total or partial absence of certain information.

We believe that the sampling method and size of the samples we used based on our professional judgment enable us to draw a conclusion expressing moderate assurance; a higher level of assurance would have required more extensive verification work. Due to the use of sampling techniques and other limitations inherent in the functioning of any information and internal control system, the risk of not detecting a significant irregularity in the CSR information cannot be completely eliminated.

### Conclusion

Based on our work, we found no significant irregularity that would call into question the fact that the CSR information, taken as a whole, is presented in a true and fair manner, in accordance with the Reporting Protocol.

### Observations

Without qualifying the above conclusion, we draw your attention to the points below:

- As stated in the methodological note published in Chapter 8 of this Registration Document, the information below does not cover all activities:
  - The "workplace accident frequency rate" and the "workplace accident severity rate" are reported for France alone;
  - The "absenteeism rate due to workplace accidents and illnesses" covers 75% of the Group's workforce; it does not include information from GPA Multivarejo (Brazil). Data from Viavarejo (Brazil) is partially included.

Paris-La Défense, 16 March 2015

Independent Third-Party Organisation

ERNST & YOUNG et Associés

Eric Mugnier

Sustainable Development Partner

Bruno Perrin

Partner

[1] In charge of the areas below: the CSR department, the Casino France Foundation, the Quality department and the Purchasing department.

[2] **Environmental and social information:** the general environmental policy (organisation, employee training and information), pollution and waste management (recycled tonnage, waste prevention, recycling and disposal measures), the sustainable use of resources and climate change (energy use, measures taken to improve energy efficiency, GHG emissions), water consumption and sourcing adapted to specific local constraints, measures taken to improve the efficient use of raw materials; regional, economic and social footprint, stakeholder relations (conditions for dialogue, partnership or sponsoring initiatives), measures taken to protect consumer health and safety. **Employee data:** employment (total workforce and breakdown), absenteeism, health and safety conditions in the workplace, workplace accidents (especially their frequency and severity), implemented training policies and total training hours.

[3] Monoprix (France) and GPA Multivarejo (Brazil).