

TABLE OF CONTENTS



Letter from
the CEO

1
Organization,
Management
and Compliance

2
Safety, Health
and the
Environment

3
People,
Diversity
and Inclusion

4
Society,
Relationship,
and Innovation

5
Organizational
and Financial
Performance

LETTER FROM THE CEO

[GRI 102-14]



We will be working tirelessly to offer Brazilian families a wider range of products and services, at more competitive prices, as well as contributing every day to the construction of a more inclusive and diverse society.

NOËL PRIoux,
CEO of Grupo Carrefour Brasil

It was a commemorative year, in which Carrefour completed 45 years of operations in Brazil, but one that was to prove atypical and challenging. Early in 2020, we began facing the COVID-19 pandemic, to which we had to react quickly to preserve the health and safety of our employees and customers. We adopted rigorous measures in all the stores, the result of collaboration between our business areas to assure the units were prepared and consumers informed, while ensuring the continuity of our activities, essential for the entire population.

We also united the Group's companies in a large solidarity movement, to contribute to minimizing the impacts caused by this new scenario in the communities. We organized a number of actions throughout the year, including distribution of basic food hampers and protective face masks, among other items, to municipalities in partnership with local social institutions and entities. We launched the "Solidarity Purchase" movement in stores and on e-commerce platforms to raise funds that were converted

into donations of food cards and basic items hampers. For each R\$ 1.00 donated, we contributed another R\$ 1.00. These initiatives raised R\$ 21 million and benefited more than 2.5 million people in all regions of Brazil.

In parallel to the social responsibility actions, we further bolstered initiatives aimed at minimizing the impact of our operations on climate change. One of our commitments is to combat deforestation of the biomes. For years, we have been developing measures to engage our value chain in forest preservation initiatives, and we are progressively evolving in this direction. In the period, we met the goal of monitoring 100% of our direct fresh meat suppliers regarding the criteria to combat deforestation, among others. Also, during the year, we formalized our policies to ensure animal welfare in critical supply chains, focusing on the compliance by producers with and the improvement of good animal husbandry practices.

The pathway we have constructed in four and a half decades of operations in Brazil has enabled us to honor our commitment to care for our people and our clients, to preserve the environment and adapt swiftly to changes in consumer behavior. The isolation measures taken in the face of COVID-19 included instituting the home office work model, a format that is here to stay and is reflected in more

people eating at home and, hence, ordering more food, something that directly favors our businesses.

Another adjustment in behavior driven by people staying at home was the quest for digital solutions so that purchases could be made safely online. We experienced a boom in food e-commerce and responded very quickly to the new market demands. We were able to speed up the Group's digital footprint at a speed I had no idea was possible. We are increasingly evolving the relationships with our customers through new applications and platforms, progress seen across all our businesses.

Regarding retail, in the midst of the crisis and in record time we migrated 100% of our website to our new digital platform, enabling a record net promoter score (NPS), the metric that reflects our client satisfaction levels, by year's end. We launched the new Meu Carrefour app, with benefits ranging from a full-reward program to access to exclusive discounts and services, always guaranteeing low prices. Our app is already used by 75% of the most recurring customers. Atacadão launched the CotaBest marketplace and partnered with last-mile delivery apps.

We ended 2020 with more than 25% of non-food sales being transacted over the e-commerce channels. Our digital

food sales grew 240% in the year and already accounts for more than 5% of Carrefour's overall food transactions. In Atacadão, it exceeds 2% of what is sold in the stores that offer the service, a level achieved after only three months in operation. The Bank also saw growth in the use of digital services, where 32% of credit card sales were conducted over the online channels.

The digitalization is further buttressing both our business models and the omnichannel framework, leading to increasingly improved customer, making their day-to-day lives easier. Based on the results achieved, I believe we are on the right track. We gained many new customers and our sales volume is rising, increasing our share of wallet with those who are already loyal. We have also seen our market share grow, a movement rarely seen in the past. At Atacadão, we registered same stores market share gains, and, in retail, we rose two percentage points in the last two years, a truly significant number. With these advances, we were able to move in a direction opposite the general trend, creating 7,000 new jobs in the period.

I am especially satisfied with these results and achievements. Although the Covid-19 crisis has changed the buying profile of consumers, I have no doubt that an important part of our results stemmed from internal

initiatives that required adjustments, nimbleness and lots of courage, and that contributed to achieving another year of profitable growth. Gross sales totaled R\$ 74.75 billion, 20.1% higher than in the previous year. We registered record profitability of 4.1% in the year, with an adjusted net profit of R\$ 2.76 billion. The dilution of costs and efficiency gains led to a strong expansion of adjusted EBITDA, which totaled R\$ 5.61 billion, up 18%.

Regarding the progress, I would like to highlight the purchase of 30 Makro stores, of which six already were converted to the Atacadão brand in 2020. We also inaugurated 20 Atacadão stores and two wholesale, expansion that delivered additional sales growth of almost 6% and will accelerate even more in 2021 when we reopen the remaining stores purchased from Makro in the first months of the year.

In retail, we changed our promotional model early in the year to give consumers access to offers for longer periods in all product categories, with the guarantee of the best end price. We continue to strengthen our private label, which offers a diversity of products at competitive prices. Our bank also posted important results, and despite the challenging economic environment, has returned to growth

levels of 20%, with a significant role played by digital sales and healthy default levels, which makes me very optimistic about the results of this operation in 2021.

In this period of such adversity, in November there was a tragic event at our store in Porto Alegre. The commitment we already had to combat structural racism has gained momentum. We created an independent committee to support us in these efforts, took a number of concrete actions and launched a R\$ 40 million funds earmarked for this cause.

It was a year of learning, in every way. I am convinced that the challenges faced in 2020 have renewed and reiterated our commitments to responsible action, and further strengthened our ecosystem. We are prepared for the next 45 years of our story, progressing to further consolidate our food retail leadership position. In early 2021, we took another very significant step in this direction: we announced the acquisition of the Grupo BIG Brasil.

This operation, still subject to shareholder and regulatory approvals, and expected to be concluded in 2022, will expand our traditional formats, especially wholesale and hypermarkets, and our presence in regions where we have

limited penetration, such as the Northeast and South of the country, which offer strong growth potential. We are two groups that complement each other, which will further enrich our ecosystem.

I want to underscore that we will be working tirelessly to offer Brazilian families a wider range of products and services, at more competitive prices, as well as contributing every day to the construction of a more inclusive and diverse society. I wish to thank our customers, business partners and shareholders for their confidence in our actions and strategies. To our more than 95,000 employees, thank you very much for the commitment and willingness to adapt quickly to the changes adopted throughout the year, and for engaging in our efforts to ensure that we continue to serve our customers in the best way possible.

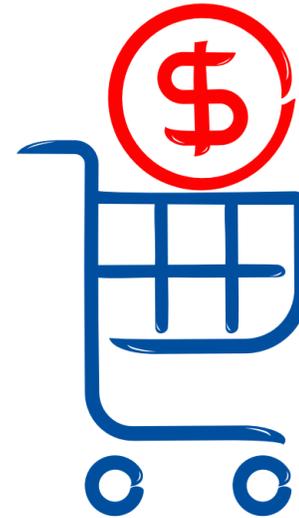
NOËL PRIOUX,
CEO of Grupo Carrefour Brasil

2020 IN NUMBERS

[GRI 102-2]

R\$ 74.8 billion
Gross sales

R\$ 2.8 billion
Adjusted net income



R\$ 5.6 billion
Adjusted EBITDA

R\$ 2.4 billion
Free cash flow¹



Nº 1
In Brazilian
food retail



2nd largest
Operation of the 30
countries in which the
Carrefour Group operates



~95 thousand
Employees in Brazil



+150 cities
Nationwide presence



283 stores
Multi-format retailer



206 stores
Atacadão

Expansion

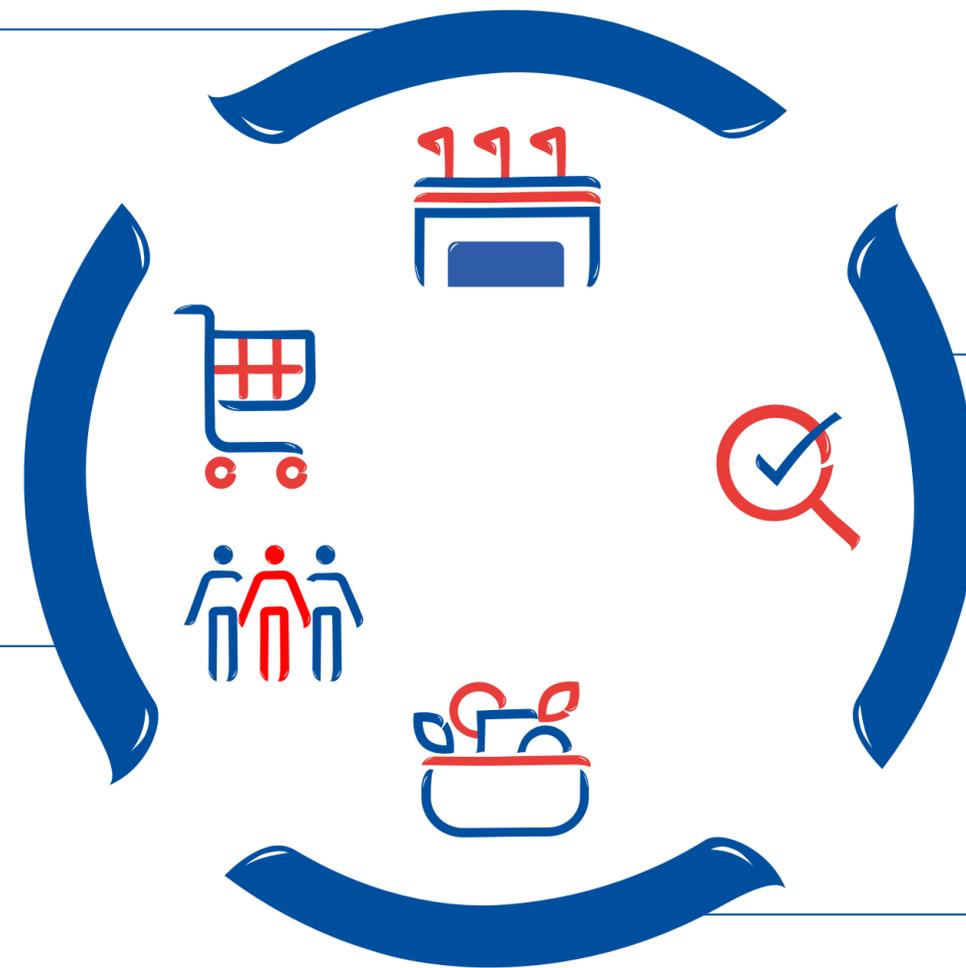
- ▶ **36 NEW POINTS OF SALE:** 20 Atacadão, 2 wholesale, 10 Carrefour Express, 2 Carrefour Market, 1 drugstore and 1 gas station
- ▶ Acquisition of 30 MAKRO STORES

Customer service

- ▶ 75% of recurring customers in stores are users of the MEU CARREFOUR APP
- ▶ +1.2 MILLION USERS registered on CyberCook

Corporate culture

- ▶ 20,431 Carrefour EMPLOYEES trained in Technical Schools
- ▶ 331 PARTICIPANTS in the Continuing Education Program (PEC), offered to Atacadão leaders
 - ▶ 1,650 EMPLOYEES trained at Atacadão's Academy of Leaders



Protection and Security

- ▶ 240 actions implemented in 15 days
- ▶ 500 audits/month of monitoring of operations
- ▶ 5,000+ reinforcement hires for the teams
- ▶ 3,400 employees of risk groups on leave with remuneration
- ▶ 8%+ increase in hygiene and cleaning team members

Donation

- ▶ 900,000 people benefited
- ▶ R\$ 21 million for donations
- ▶ 170,000 basic hampers delivered in 77 municipalities of 22 Brazilian states
- ▶ 30 tons of rations distributed to street animals
- ▶ 210,000 masks delivered to employees and the community

ABOUT THIS REPORT

Learning and commitment for a more inclusive and sustainable society.

Grupo Carrefour Brasil summarizes the significance of the year 2020 in its history. The period, marked by challenges, achievements and new commitments to society, in the first months the global health crisis of COVID-19 introduced a context that required urgent and effective measures to assure the health and safety of clients and employees, and to maintain business sustainability. In November, the Group mobilized a broad effort involving other actors in society to combat structural racism. The goal, through this action, was so that cases like the one that occurred in that month in its Porto Alegre store would never recur.

Far beyond crisis management, these events directly impacted employees and imposed a thorough review of the Group's role and its social actions in the country. Toward this end, this edition of the Grupo Carrefour Brasil's Annual Sustainability Report presents the initiatives developed as a result of these two events, in

addition to reporting information on business strategies and results over 2020².

In five thematic chapters, an assessment is made of the progress of organizational, social and environmental initiatives. Chapter 1 sets out the global and national Group's commitments to society, including the leadership structure in the country. Chapter 2 summarizes the health and safety actions aimed at protecting employees and clients - also considering the pandemic context – besides presenting the initiatives adopted to minimize the impacts of its operations on climate change and the environment. In this chapter, the Grupo Carrefour Brasil presents, for the first time, data on greenhouse gas emissions (GHG) arising from its operations in the country, an inclusion that reflects the efforts to continuously improve the accountability of its activities.

Chapter 3, entitled "People, Diversity, Inclusion," compiles the results of internal projects in combating prejudice and

² From January 1 to December 31, 2020 [GRI 102-50]

valuing diversity in the Organization. It presents the new action plan to accelerate social transformation, designed in December 2020, with actions in the short-, medium- and long-term. From internal to external practices, Chapter 4 summarizes the social, environmental and technological programs supported and developed, explaining emergency donation operations during the pandemic and detailing the Group's new commitments to the fight against racism. Finally, Chapter 5 details information on the company's organizational and financial performance. [GRI 102-44]

This is the third consecutive year that the Grupo Carrefour Brasil has published an Annual Sustainability Report. As in the previous edition, the material is built on the globally recognized methodologies for this type of publication: the Global Reporting Initiative (GRI) sustainability reporting guidelines, version Standards, Essential option; and indications of the structure determined by the International Integrated Reporting Council (IIRC) for Integrated Reporting, which aims to give transparency to how the organization allocates its capital to generate value over time. [GRI 102-51; 102-52; 102-54]

In order to further improve the form of reporting, this edition incorporates some indicators from the Sustainability Accounting Standards Board (SASB), an international organization that establishes parameters for better evaluation of ESG (environmental, social and corporate governance) practices of companies. The text also offers a diagnosis of the contribution of the Grupo Carrefour Brasil to the achievement of the goals set by the global initiatives led by the United Nations (UN): Global Compact, to which it is a signatory, and the 2030 Agenda, which derives from the Sustainable Development Goals (SDGs). [102-48; 102-49]

This publication also indicates the main economic and financial highlights. Said data, in their entirety, can be found in the financial statements, which follow the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and are audited by KPMG Auditores Independentes. For questions, criticisms or suggestions about the information presented in this publication, contact us by email: sustentabilidade@carrefour.com.br [GRI 102-53]

MATERIALITY MATRIX

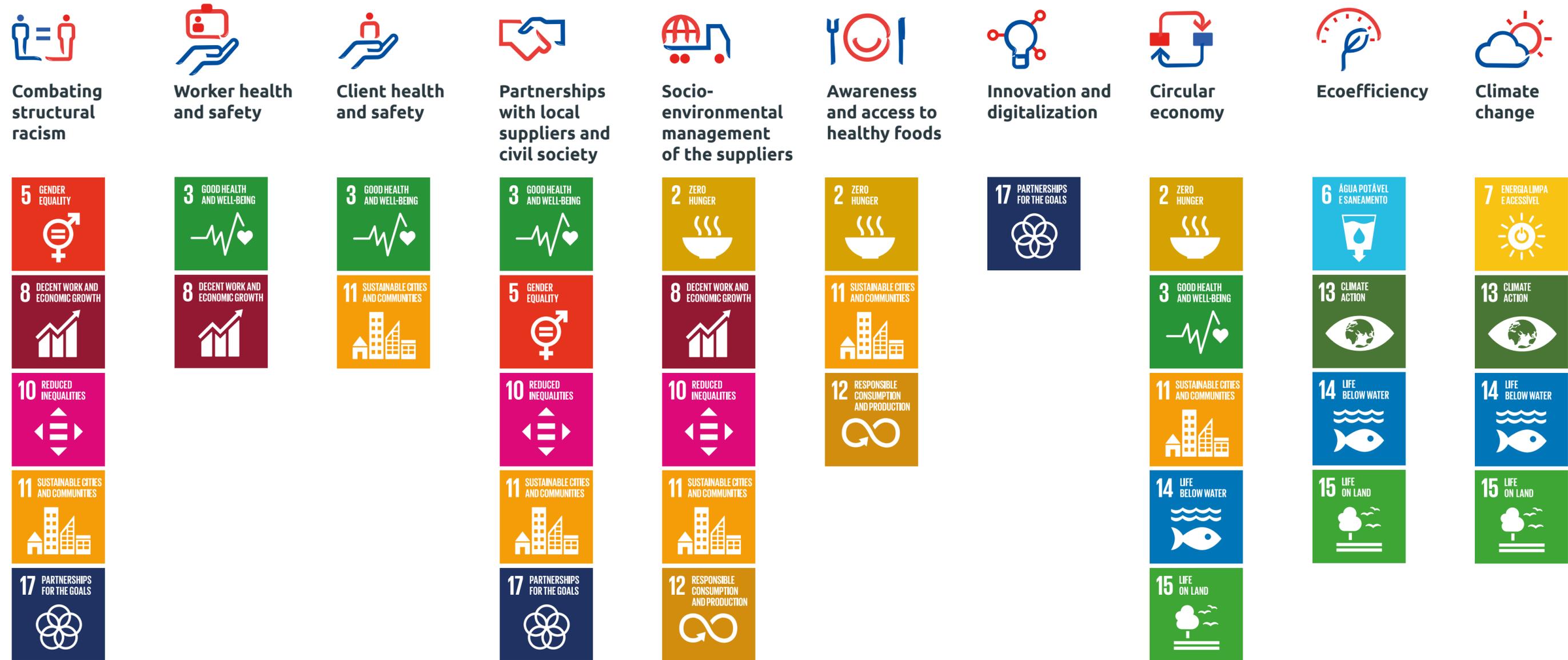
The events and challenges of 2020 implied an important revision of the Materiality Matrix of the previous year, based on the results of a detailed diagnosis of opportunities and challenges of the Grupo Carrefour's performance in Brazil. The reflection process had a broad dialogue with internal and external actors of the Company, inserted in different relational fronts. The first action consisted of an online poll, conducted between January 30 and February 14, 2020. The opinion of 121 participants - clients, employees, suppliers, press and civil society organizations - was requested to determine a first list of essential material topics. [GRI 102-40; 102-42; 102-43]

In addition to the results obtained in the survey, the process of defining the material topics met other requirements of the Global Reporting Initiative (GRI) methodology, comprising a wide collection and analysis of data: internal and external documents, media research, industry benchmarks, SASB (Sustainability Accounting Standards Board) benchmarks, interviews with the Company's leaders in Brazil and global guidelines of the Group.



BROAD DATA COLLECTION FOR THE DEFINITION OF MATERIAL TOPICS

- ▶ Online poll held between January 30th and February 14th, 2020 with 121 participants
- ▶ Analysis of external and internal documents
- ▶ Media research
- ▶ Interviews with executives
- ▶ Industry benchmark



At the end of this analysis process, ten material themes were listed, establishing the direction to be taken by the Grupo Carrefour's management in the country. The topics also fall within the prerogatives of the 2030 Agenda, an initiative led by the United Nations to eradicate poverty, protect the environment and ensure that people achieve peace and prosperity. Of the 17 Sustainable Development Goals (SDGs) established, initiatives related to each of the ten material topics contribute to the achievement of 13 of them. [GRI 102-12, 102-44, 102-46, 102-47]

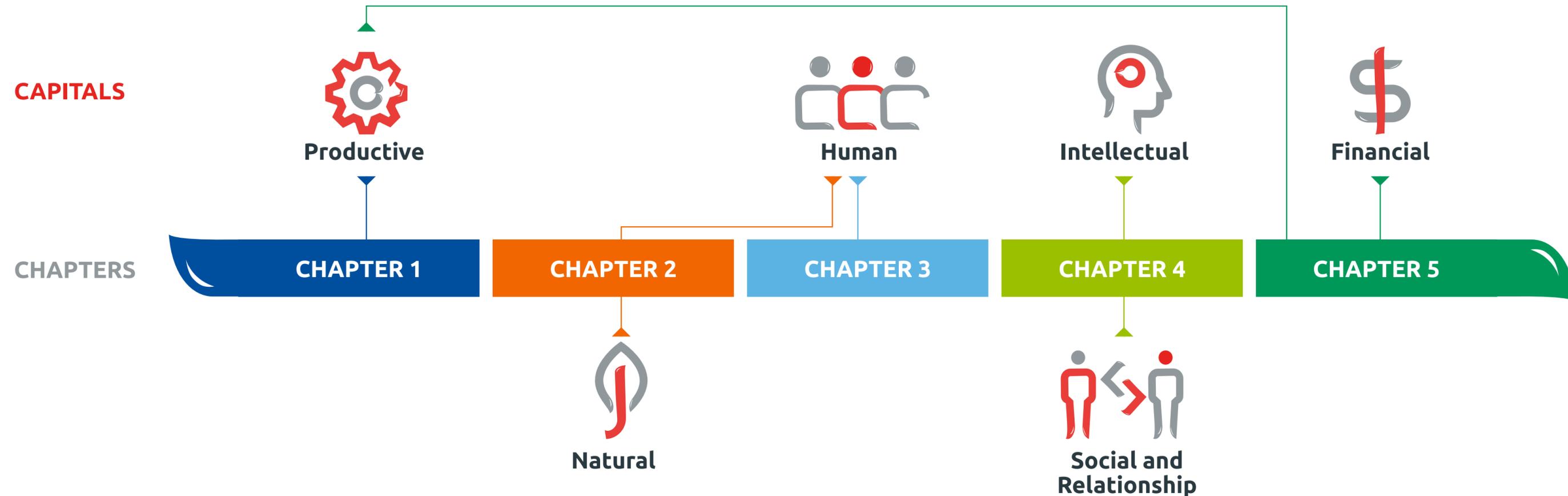
MATERIALITIES AND THEIR LIMITS

[GRI 102-46; 103-1]

TOPICS	DESCRIPTION	WHERE OCCURS	GRI AND SASB TOPICS
 Combating structural racism	Diversity and inclusion actions Creation of the Diversity Committee; Other topics on the topic	Inside and Outside	103-1; 103-2; 103-3; 202-1; 405-1
 Worker health and safety	Practices adopted, especially actions developed as a result of COVID-19; Training on the topic	Inside	103-1; 103-2; 103-3; 401-1; 401-3; 403-1; 403-2; 403-3; 403-4; 403-5; 403-6; 403-9; 404-3; 407-1
 Client health and safety	Practices adopted, especially actions developed as a result of COVID-19; Food Quality and Safety	Inside and Outside	103-1; 103-2; 103-3; 416-1; 417-1; 417-2; 417-3; FB-FR-250a.2; FB-FR-270a.1
 Partnerships with local suppliers and civil society	Actions / donations to combat the impacts caused by COVID-19; Partnerships with local suppliers	Inside and Outside	103-1; 103-2; 103-3; 204-1; FB-FR-430a.3; FB-FR-430a.4
 Socio-environmental management of the suppliers	Fight against deforestation; Responsible purchases Supply chain traceability to inhibit irregular practices	Inside and Outside	103-1; 103-2; 103-3; 308-1; 308-2; 409-1; 414-1; 414-2
 Awareness and access to healthy foods	Act for Food Private label CyberCook	Inside and Outside	103-1; 103-2; 103-3; FB-FR-000.A; FB-FR-260a.2
 Innovation and digitalization	E-commerce Customer data security “Meu Carrefour” App Banco Carrefour (products)	Inside and Outside	103-1; 103-2; 103-3; 418-1; FB-FR-230a.2
 Circular economy	Financial soundness of business; Adoption of the best Corporate Governance practices; Continuous evolution of the Compliance system; Product innovation Offering high-value-added products; Offer of vegetable protein products	Inside and Outside	103-1; 103-2; 103-3; 301-3; 306-5
 Ecoefficiency	Water use management; Correct treatment and disposal of liquid effluents; Correct treatment and disposal of solid waste; Adoption of renewable energy sources; Rational energy consumption	Inside	103-1; 103-2; 103-3; 302-1; 302-3; 302-4
 Climate change	Control greenhouse gas emissions from your operations; Minimize the impacts of the operations on climate change; Adapt the operations to climate change	Inside and Outside	103-1; 103-2; 103-3; 305-1; 305-2; 305-3; 305-4; 305-5

HOW THE GRUPO CARREFOUR BRASIL GENERATES VALUE

The Annual Report also presents how the Grupo Carrefour Brasil transforms its capital through its activities and products, generating value for society. For this, it uses some elements brought by the International Integrated Reporting Council (IIRC), whose framework comprises six capitals. The impacts and results achieved in each of them in 2020 are **detailed throughout this publication.**





1

Organization, Management and Compliance

The Group

Profile

Commitments to Sustainability

Business Strategy focused
on value creation

Corporate Governance

Structure and Committees

Ethics and Compliance

Risk Management

IMPACTS AND RESULTS PRESENTED IN THIS CHAPTER
COVER THE FOLLOWING CAPITAL:



Productive

Organization,
Management and
Compliance

Safety,
Health and
the Environment

People,
Diversity and
Inclusion

Society,
Relationship,
and Innovation

Organizational
and Financial
Performance

Through an increasingly interconnected ecosystem, the Grupo Carrefour Brasil has significantly increased its digital transformation strategy and revolutionized the concept of traditional retail sales. Our business conduct embraces values, including ethics, transparency and integrity. These serve as the parameters that guide the several public commitments we've made to society in the areas of health protection, personal safety, the environment and human rights.

Considered the largest food retailer in the country, the Grupo Carrefour Brasil seeks to use the strength of its brands, the capillarity of its operations, and the influence it can exert on the value chain to have a positive impact on society. To make these commitments manifest, the Company sets goals and acts with all due diligence to engage external stakeholders as a means of amplifying sustainable activities. In Brazil, to minimize the impact of its operations on the environment, the group has two fundamental commitments: "Zero Deforestation" and "Animal Welfare."

At the same time, the Company has advanced and strengthened its social responsibility initiatives. On this front, in 2020, the highlight was our fight against structural racism. Diversity and inclusion have been driving forces within the Company for many years. These values had gained traction in our firm well before the tragedy that occurred late last year in one of our Porto Alegre stores. There, on November 19, 2020, a customer was brutally murdered by one of the Company's security guards.

ETHICS, TRANSPARENCY AND INTEGRITY



We have been reminded that there's still more that we can do. Unified, and with a steady resolve, together we are quickly moving forward on this journey.

CHANTAL PILLET,
Chief Compliance Officer

As regards 2020, discussion of the COVID-19 is unavoidable. In very real and necessary ways, the pandemic demanded societal actions based on solidarity, ethics, and sustainability. The world united to save lives.

In this context, as a pacesetter in the marketplace, Carrefour offered to play a leadership role in the challenges brought about by this global emergency, acting in the best interests of all. During the pandemic, Carrefour lent its support to many families. In so doing, it was challenged to accelerate the implementation and dissemination of its sustainable practices. The Grupo Carrefour's Compliance divisions went beyond simply monitoring regulatory matters to serving as catalysts in making positive contributions to the interests of society as a whole.

Notable among these efforts is the Ethics and Integrity Program, which underwent significant development and growth. The integration of guidelines across our several businesses has expanded, with important advances achieved in third-party management activities, integrity risk assessment, training and continuous monitoring.

We also learned from a tragic event that shook us deeply. Despite our existing commitments and activities toward the prevention of all forms of violence, we have been reminded that there's still more that we can do. Unified, and with a steady resolve, together we are quickly moving forward on this journey."

THE GROUP

PROFILE

Carrefour arrived in Brazil 45 years ago. It was October 1975 when the Company's first store opened in the south zone of the city of São Paulo and, thereby, introduced the hypermarket concept to Brazilian shoppers. In the decades that followed, the Grupo Carrefour Brasil experienced exponential growth, to the point that it is now the nation's leading food retailer. Expanding its operations and reach over the years, by 2015, the Company had achieved total nationwide presence, with stores in all 26 states and the Federal District. Currently, the Company is organized along three major business fronts – retail food sales (Carrefour), wholesale food sales (Atacadão), and financial solutions (Banco Carrefour). [GRI 102-1; 102-4; 102-7]

Together, these constitute a robust multiformat and omnichannel ecosystem, adapted to the evolving needs and habits of our customers, featuring widely recognized and remembered brands, according to branding market surveys. Thus, consumers can choose the products and services that best suit their lifestyles and necessities. In the retail food sector, Carrefour has 283 outlets spread across three formats: Carrefour (hypermarkets), Carrefour Market

and Carrefour Bairro (Neighborhood) (supermarkets), and Carrefour Express (convenience stores). In the wholesale food sector, Atacadão, which has established itself as a national benchmark in the cash-and-carry segment, has 206 cash and carry, in addition to 30 wholesale units. This brick-and-mortar structure has been expanded to the digital format, offering e-commerce solutions to consumers both in Carrefour (www.carrefour.com.br) as well as Atacadão (www.atacado.com.br).

This ecosystem is complemented by Banco Carrefour, whose financial services include the provision of credit cards, personal credit, digital accounts, payment processing and insurance solutions, among other services. In 2020, the institution regained its leadership position in the operation of credit cards for the country's retail sector.

The Company also has complementary services available via a network of 77 gas stations and 125 pharmacies, which offers Carrefour shoppers the convenience of fueling their vehicles and access to products that contribute to their health and well-being. Another Group division, Carrefour

Property, manages a real estate portfolio consisting of the firm's buildings, two malls, and the leasing of retail space in shopping centers. The Grupo Carrefour Brasil is managed from its São Paulo headquarters and its businesses are operated by a team of over 95,000 employees, distributed across the 150 cities in which the Company is present. [GRI 102-3]

Brazil is one of 30 countries in which the Carrefour Group operates. In 2020, its Brazilian operations once again generated national revenues that were second only to those of the Group's operations in France. Global net sales for the year totaled € 70.7 billion. In the countries in which it operates, the Group has more than 321,000 employees, serving 105 million customers.

A publicly-traded company since July 2017, the Grupo Carrefour Brasil's shares trade as part of the Novo Mercado, a listing segment of the B3 – Brasil, Bolsa, Balcão stock exchange wherein included companies commit themselves to adopt and adhere to higher levels of corporate governance beyond those required by law.

[GRI-102-5]

45 YEARS OF HISTORY IN BRAZIL

Highlights include:

- 1975** • **First Carrefour hypermarket opens in the south zone of São Paulo**
- 1985** • São Paulo hosts the opening of the **world's 100th hypermarket**
- 1989** • Launch of the first 12 private label products in the country
- 1993** • **1st Carrefour gas station** opens in São José dos Campos, São Paulo
- 2000** • Establishment of the **Carrefour Training Institute** for the professional training and development of employees
- 2005** • **1st Carrefour Bairro (convenience) store** opens in the Morumbi neighborhood of the city of São Paulo
 - **1st Farmácia Carrefour (pharmacy)** opens at the Osasco store in the city of São Paulo
- 2006** • **Banco Carrefour** is authorized for nationwide operations by the Central Bank of Brazil
 - Launch of the private label, **Viver line** of light, diet and organic products

- 2016** • Atacadão introduces a range of financing solutions
 - Launch of Carrefour's non-food e-commerce
 - Creation of the Retail Connection Program to train trans persons in retail techniques
- 2015** • 1st food retailer with a **presence in all** Brazilian states
- 2014** • **1st Carrefour Express** store in the São Paulo capital
- 2013** • Creation of the **Diversity Steering Committee**, which convenes bimonthly internal meetings
- 2012** • Creation of **property division** to manage the Group's real estate assets
Launch of the **Group's Diversity and Inclusion Platform**
- 2010** • Launch of Carrefour's first virtual store: **www.carrefour.com.br**
 - Creation of the **Guarantee of Origin**, traceability and food safety seal
- 2007** • Acquisition of **Atacadão** and its robust infrastructure of 34 stores
 - Opening of the community-focused, **Carrefour Training Institute**

- 2017** • The Grupo Carrefour Brasil makes its initial public offering (IPO) of shares on the **B3 – Brasil, Bolsa, Balcão**
- 2018** • Launch of Carrefour 2022, a global strategy and innovation plan
 - Launch of the Act for Food program to accelerate eating better food transitions
 - Introduction of a new retail format, **Carrefour Market**, whose first store opens in the west zone of the city of São Paulo
- 2019** • Creation of the **Carrefour eBusiness Brasil** business unit

45 YEARS

- 2020** • **Launch of the Meu Carrefour loyalty app**
- **Acquisition of 30 Makro stores, which are integrated under the Atacadão banner**

GRUPO CARREFOUR BRASIL ECOSYSTEM

[GRI 102-2; 102-6; FB-FR-000.A]

FINANCIAL SOLUTIONS

Banco Carrefour, one of the main credit card issuing institutions in Brazil



WHOLESALE

Atacadão: 206 cash and carry and 30 wholesale establishments

RETAIL

Management of a portfolio containing 290 Company-owned real estate



7th place in number of visits³



Integrated ecosystems, offering customers a complete, omnichannel environment experience, comprised of **THREE BROAD SEGMENTS:**

77 units



125 units



130 convenience stores



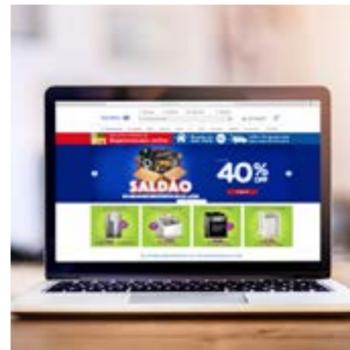
15 compact supermarkets



100 hypermarkets



38 supermarkets



³ E-commerce Conference Brazil ranking

COMMITMENTS TO SUSTAINABILITY

The Grupo Carrefour Brasil has been dedicated to the issue of diversity and inclusion for many years. However, in the aftermath of the tragedy that occurred in the firm’s Porto Alegre store on November 19, 2020, the Company took immediate steps to go beyond corporate policies and initiatives that had already been adopted. Among these, the Company has publicly assumed a social and historical commitment to combat structural racism, with a plan that includes tangible actions aimed at reversing inequalities of access and combating the violence to which the black population has traditionally been a victim to in Brazil.

This public undertaking is in addition to others, initiated locally and globally, formalized in the areas of health protection, personal safety, the environment, and human rights, which are mainly being carried out through partnerships and collaborations with leadership institutions and NGOs worldwide: WWF®, the World Wide Fund for Nature, for the protection of the environment (1998); UNI Global Union, for the strengthening of worker skills, services, and employment conditions (2001); and FIDH, the International Federation for Human Rights (2000-2018). The Group has also been a signatory to the UN Global Compact since 2001. **[GRI 102-12]**

To honor the Company’s commitments, goals are set that are oriented toward the social and environmental issues confronting the global community, although adapted to local specificities. In Brazil, the Group is currently committed to two, foundational areas of concern: “Zero Deforestation” and “Animal welfare.” In addition to adopting an initiative to make progress on these issues manifest, the Company is taking broader actions, engaging external stakeholders to assure increasingly sustainable efforts.

In Brazil, the Group is currently committed to two, foundational areas of concern: Zero Deforestation and Animal welfare.



Luciana Mendonça de Oliveira,
Director of Front-End Operations

Opportunities to take over innovative challenges

My Carrefour story began in 1995, when I worked as a cashier at the store in São Caetano (in the state of São Paulo). Over these past 26 years, I’ve had the opportunity to introduce training programs and take on innovative challenges, always having my efforts recognized. In total, I worked nine different positions before reaching management. I’m very grateful to the Company and, just as I was encouraged to grow, my efforts today are geared toward assuring that employees, with whom I work directly, are always working under the best conditions and always have access to opportunities for their own growth and development. For example, three years ago, we introduced the Carrefour Affinities Group for Women, a project focused on worker empowerment, which is increasingly motivating them to strive for and assume strategic leadership positions. I am very proud to be part of the Carrefour family which, for me, is synonymous with respect and care for employees and customers.

LOCAL COMMITMENTS/GOALS

COMBATING STRUCTURAL RACISM

Plan of action includes 50 activities built around eight commitments. [Learn more here.](#)

ANIMAL WELFARE

SWINE

- ▶ Teeth clipping or grinding to be carried out only as a form of curative medicine. **Target achieved in 2020.**
- ▶ Reducing gestation crate time for 100% of females from 35 to 28 days. **Target achieved in 2020.**
- ▶ Abolition of ear tagging by 2022.
- ▶ Transition from surgical castration to immunocastration by 2025.
- ▶ Environmental enrichment: deep litter breeding, as well as the availability of toys, streams and puddles of water, with a commitment to continuous improvement.

100% of Brazilian beef suppliers are monitored.

CATTLE

- ▶ Ensure that Brazilian beef sold in Carrefour's Brazilian stores satisfies the Group's purchasing policy criteria, which requires suppliers to assure that, at all stages of production, animals will be afforded physiological, sanitary, behavioral, environmental, and psychological freedoms⁴.

CAGE-FREE

- ▶ Obtain 100% of eggs from cage-free chickens by 2025 for Carrefour brands and 2028 for all other national brands. **The same 100% egg target for Sabor & Qualidade (Flavor & Quality) products were achieved in 2020.**

SLAUGHTERHOUSES

- ▶ By 2022, achieve 100% of slaughterhouses supplying regulated products (proteins) are audited to assure compliance with animal welfare criteria for the Sabor e Qualidade (Flavor and Quality) brand; by 2025 for all other Carrefour brands.

COSMETICS

- ▶ Ban animal testing for all Carrefour-branded cosmetics and cleaning products by 2025.

⁴ Five freedoms determined by the Farm Animal Welfare Council, an independent British Council that is a global reference in animal welfare.

INITIATIVES FOR ABANDONED ANIMALS LIVING

- ▶ Working in partnership with recognized NGOs in this arena, establish Carrefour as a benchmark enterprise in the fight for animal welfare, with activities developed to aid abandoned animals living in Brazil.

ZERO DEFORESTATION

- ▶ 100% of Brazilian beef suppliers are monitored (regulated products and national brands). **Target achieved in 2020.**
- ▶ By 2025, 100% of Sabor & Qualidade (Flavor & Quality) and private label products, which include animal protein in their composition, to be derived from zero-deforestation soy-fed animals, by 2025.
- ▶ Ensure that 100% of Carrefour-brand products containing palm oil in their composition use only raw materials whose soybeans come from non-deforested areas. **Target achieved in 2020.**

SUSTAINABLE FISHERIES

- ▶ Support sustainable local fisheries through partnerships with local players.
- ▶ Promote products in sustainable fishing shops and the diversity of seafood.
- ▶ Ensure that 50% of all fish sold is derived from sustainable fishing practices. **Target achieved in 2020.**

GLOBAL TARGETS

GENDER EQUALITY

- ▶ By 2025, ensure that at least 40% of those tapped for leadership positions in the Group are women.
- ▶ Obtain Gender Equality European & International Standard (GEEIS) certification for 100% of Group countries. **Goals achieved in Brazil in March 2020.**

TACKLING CLIMATE CHANGE

- ▶ By 2030, reduce emissions by 30%; by 2040⁵, by 55% (reference year: 2019).
- ▶ By 2030, reduce CO₂ emissions related to downstream transportation by 20%.



RESPONSIBLE CONSUMPTION AND PRODUCTION

- ▶ As from 2025, 100% of Carrefour eggs in Europe, Taiwan, and Brazil to be derived from alternative coop farms.
- ▶ By 2025, reduce food waste by 50%, as compared to 2016.
- ▶ Adopt 100% reusable and recyclable, or compostable packaging for Carrefour brands, with the goal of eliminating 20,000 tons of packaging by 2025.
- ▶ By 2025, achieve the goal of introducing 20% less virgin plastic into the market for private label products and having an average incorporation of 30% recycled plastic material into this packaging.
- ▶ Before 2030, 20% of these products may be in bulk or reusable packaging.
- ▶ For the cumulative period beginning in 2017, reduce by 10,000 tons the amount of packaging placed on the market by 2025.
- ▶ 100% of waste reused by 2025.

⁵ Scopes 1 and 2. More details on these goals, and those established for Scope 3, here.

BUSINESS STRATEGY FOCUSED ON CREATING VALUE

[GRI 103-2, 103-3]

Grupo Carrefour Brasil significantly accelerated its digital transformation strategy in 2020, further connecting the several formats of its ecosystem and totally revolutionizing the concept of traditional retail. Based on customer surveys, coupled with consistent business strategies, the network empowers consumers to be free to choose the best way to make their purchases. As Atacadão and Carrefour strive to achieve the lowest prices in the marketplace while also prioritizing regional and local suppliers, the Group has an ongoing commitment to always offer the best prices possible to Brazilian families, small merchants, and restaurants.

On the digital transformation front, there were three highlights in 2020:

- 1) Launch of Atacadão Marketplace
- 2) Reformulation of Carrefour's e-commerce platform
- 3) New app Meu Carrefour, which connects consumers to services and benefits, while offering an innovative reward program.

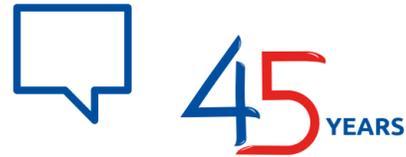
Connects consumers
to services and benefits.



With this, the Company is offering its customers an improved, more convenient and complete shopping experience. These advances in ecosystem digitalization are in keeping with one of the five fundamentals put forth in Carrefour 2022, a global strategy that orients the Company's business activities:

STRENGTHEN THE ECOSYSTEM. Increasingly connecting formats through digital transformation, providing customers the complete experience of an omnichannel environment that adds value to their shopping journeys by offering not only food, but non-food products, medicines, and fuels, through physical and digital environments. In this context, customers can also access Banco Carrefour's different payment and credit solutions.

LEADERSHIP IN FOOD TRANSITION. The Group is fostering healthier eating habits, both through the democratization of access to fresh, healthy, and quality products at fair prices, and through awareness initiatives. The objectives are detailed as part of the Act for Food movement (more information is available [here](#)).



Erli Augusto de Souza, Atacadão
Administrative Supervisor,
Maringá, Paraná

Atacadão: a great family

Thirty-four years ago, I started my professional life at Atacadão. After an initial experience as a cashier, I held seven positions before I became an administrative supervisor. In this great family that is Atacadão, I have always been highly supported, respected, and valued. I was given several opportunities to grow professionally, and this recognition allowed me to give my two children and grandchildren quality of life, security, and tranquility. I love this company as if it were my own and I'm proud to contribute to its development.

STRENGTHENING LEADERSHIP AND ELEVATING NATIONAL PRESENCE. Given the potential for high return and growth they present, continue expanding physical formats, especially Atacadão and community-based stores. To further strengthen the ecosystem, seek and assess opportunities to acquire local or regional businesses in physical or digital environments.

DEVELOP A SIMPLIFIED AND OPEN ORGANIZATIONAL STRUCTURE. Strive to increase the efficiency and productivity of all formats and businesses, aiming at excellence in service, maximizing the customer shopping experience, and establishing increasingly personalized relationships. Initiatives range from new processes of store organization to the improvement of distribution models to technologies that improve the customization of sale items, among others.

CONTINUOUSLY STRENGTHEN THE CULTURE. Fortify a corporate culture that encourages talent acquisition and integration, inclusion and diversity, teamwork, empowerment with responsibility, and meritocracy. Simultaneously, increase the ability to develop and perpetuate a team of highly qualified professionals and, consequently, consolidate the Group's leading position in the Brazilian food retail segment.



ACT FOR FOOD

[GRI 103-2; 103-3]

In keeping with its ambition to lead the way in food transition, Carrefour has been developing a number of initiatives to make healthy eating accessible to all. With the strength of its brand, the capillarity of its performance, and the influence it exerts on the value chain, the Group has had an impact on four fronts, including with these concrete activities:

▶ Disseminate healthy habits



CyberCook: A portal that offers a range of functionalities for users, taking advantage of access to options appropriate to their personal profiles, which are presented along with cost estimates. The webpage already has more than 1 million registered users and, in 2020, recorded a 245% increase in the search for healthy recipes.



Act for Food seal: Store items bearing the Act for Food seal are produced in a socio-environmentally responsible manner are offered at affordable prices, and accompanied by the motto: "Everyone deserves the best."

▶ Expand the supply of healthy products at a fair price

Private label: 2,769 food products marketed under Carrefour's various private brands, 600 of them launched in 2020. Prices charged for these items are, on average, 30% lower when compared to those of leading brands.

Sabor & Qualidade (Flavor & Quality): An exclusive line of healthy foods, produced in a socio-environmentally responsible manner and whose production stages are completely traceable. Deriving from 20 production chains, in 2020, more than 420 items were sold under this brand.

Healthy Spaces: Aisles established in the Group's hypermarkets to concentrate, showcase, and increase the assortment of healthy foods. By the close of 2020, there were 2,400 items available in these spaces, which were installed in 91 hypermarkets.

Organics: In 2020, over 900 organic products were available in Company stores, which contributed to sales of these products increasing by more than 50% for this reporting period.

▶ Combating waste

On this front are initiatives aimed at making use of food with no commercial value, reducing disposal in landfills and assisting socially vulnerable families. Combating waste also involves efforts aimed at establishing a circular economy through the reduction, reuse, recovery, regeneration, reabsorption, and recycling of materials and energy.





45 YEARS

Juarez Pedro da Silva, Financial Planning Specialist, Banco Carrefour

Three months ended up becoming a career of over 30 years

I started my career in the Grupo Carrefour in 1983, as part of the office janitorial staff, working at night; and on weekends, as an employee in charge of filling gaps in the security coverage for the building located on Paul Valéry Street in São Paulo. After a few years in this position, I migrated to accounting, an area in which I was greatly interested. In 1989, the Carrefour Credit Card Administration company was created and, with its rapid expansion, I was invited to provisionally strengthen the team at Banco Carrefour. Those three months ended up becoming a career of over 30 years. Since then, I've kept pace with the Bank's modernizations every year, its technological developments; it's work that always gets carried out in a very pleasant and happy environment, and which leaves me with a feeling of fulfillment.

Supporting Sustainable Production Practices

Among its business practices, the Grupo Carrefour Brasil seeks to act as a transformation agent. In this regard, it works with suppliers toward the adoption of production practices that respect principles related to environmental conservation, animal welfare, and human rights. The Company also fosters improvements in agricultural practices through the establishment partnerships with fruit and vegetable producers, and acting as a pioneer in the adoption of several responsible purchasing practices:

- ▶ The Company is the first food retailer to map fish supply chains from a sustainability perspective.
- ▶ First retailer to commit to the animal welfare of swine.
- ▶ First food retailer in Brazil to make a commitment to market only eggs derived from cage-free systems.
- ▶ The production processes and socio-environmental practices of beef suppliers are monitored by geolocation.
- ▶ The properties of over 450 small producers of calves are being given support to adopt more sustainable production processes.
- ▶ 100% of the Company's private label products containing soybeans or their derivatives in their composition are certified by the Roundtable on Sustainable Palm Oil (RSPO).

The production processes and socio-environmental practices of beef suppliers are monitored by geolocation.



CORPORATE GOVERNANCE

STRUCTURE AND COMMITTEES

[GRI 102-18]

The Grupo Carrefour Brasil's corporate governance model is based on three fundamentals and adheres to the provisions set forth in the Company's by laws:

SHAREHOLDER FORUMS

General Shareholders Meeting: An annual deliberative and decision-making body to which all of the Company's various shareholders are convened.

Audit Committee: A management and oversight body foreseen in the Bylaws, which may be installed if requested by the shareholders. If instituted, it would monitor the management's activities, review the Company's financial statements, and account for implemented controls to the shareholders – functions which the Grupo Carrefour Brasil believes are now adequately being handled by the firm's Statutory Audit Committee.

STRATEGIC TARGETING FORUMS

Board of Directors: In a collegial manner, defines and makes decisions on strategic issues for the Company, taking into consideration the impacts that the firm's activities will produce on society and the environment. With the Company's long-term sustainability in mind, through the Board of Executive Officers, the Board of Directors monitors the implementation and development of the guidelines it establishes. **The Board of Directors is comprised of professionals** of high reputation and recognized experience – in Brazil and abroad - on topics related to the Company, such as food retailing, finance, auditing, and risk management, among others. The profile of each director can be accessed [here](#).

10 MEMBERS,
OF WICH

20% are
independent
members

10%
are women

Advisory Committees: There are three statutory committees – **Audit, Strategy** and **Human Resources** – which support the Board of Directors in the evolution and supervision of these issues. They enrich debates, facilitate contacts with the Board of Executive Officers, and provide technical support, agility, and efficiency to decision-making processes. The members of these committees are appointed by the Board of Directors. Learn more about them [here](#).

EXECUTION FORUM

Board of Executive Officers: Through managerial leadership, the definition of goals, and monitoring results, this team carries out the strategic objectives defined and approved by the Board of Directors. Each of the ten executives who comprise the Board of Executive Officers has, on average, 12 years of experience in the retail sector. Learn more about them [here](#).

POLICIES

Corporate governance practices are guided by a set of rules and procedures. In 2020, for example, the Privacy Policy was published, which defines the standards and expected behaviors of employees, contractors, and external consultants in relation to the storage, use, retention, transfer, and exclusion of personal data. Other policies deal with the following issues:

- ▶ Information disclosures and securities trading
- ▶ Risk Management
- ▶ Related party transactions and conflict of interest management
- ▶ Remuneration of executive officers
- ▶ Appointment of executive officers

The full policies are available on the [IR website](#).

COMMITMENT TO BEST PRACTICES

The Grupo Carrefour Brasil is committed to the adoption of best corporate governance practices, which include observing the laws and standards that address issues such as the regulations of the Novo Mercado (the B3 listing segment in which the Company's shares are traded) and the Brazilian Corporate Governance Code (IBGC). Adopted practices are reported annually⁶ to the market, among which highlights include:

- ▶ **Internal audit** overseen directly by the Board of Directors.
- ▶ To assure continuous improvement, **the corporate governance system** is revised annually by the Board of Directors.
- ▶ **The position of the Chairperson of the Board of Directors** is not cumulative with that of the Chief Executive Officer.
- ▶ Performance of the Board of Directors, the Board of Executive Officers, and the several committees is based on **their own internal regulations**, in which structure, operation, roles, and responsibilities are well established.

⁶ The full economic and financial results are available here.

- ▶ **Remuneration provided to the Board of Executive Officers is linked to results**, obtaining medium and long-term goals, and the generation of economic value for the Company.
- ▶ No **positions on the Board of Executive Officers or within the management** of the Company are set aside for direct indication by the shareholders.
- ▶ The **incentive structure** is aligned with the risk limits defined by the Board of Directors.
- ▶ **Voluntary contributions** are governed by the Company's Donations Policy and by provisions of the firm's Code of Conduct, which prohibit donations to political **parties or candidates**.

The Grupo Carrefour Brasil is committed to the adoption of best corporate governance practices.

ETHICS AND COMPLIANCE

[GRI 102-11; 102-16]

Ethics, transparency, and integrity are values that guide the conduct of the Grupo Carrefour's business. Accordingly, the Company repudiates any and all attitudes related to tolerating, condoning or participating in public or private corruption, as well as fraud or influence trafficking. The Company integrates in its processes, through the program anti-corruption, effective measures to combat this issue, in strict alignment with Principle 10 of the UN Global Compact.

To transform the Company's principles into guidelines and practices, it has adopted a set of mechanisms, procedure rules, and policies. Taken together, these are part of the firm's Ethics and Integrity Program, an initiative that embraces all of the Group's businesses (Carrefour, Atacadão, and Banco Carrefour) and whose measures must be adhered to and respected by employees, suppliers, and other business partners. Violations of the rules are considered serious transgressions, subject to disciplinary sanctions. Suppliers and partners who do not comply with the Company's ethics and integrity guidelines are subject to discontinuation of the business relationship.

The Ethics and Integrity Program is managed by the holding company's Compliance Board, which is linked to the Risk Management Board. In 2020, in continuity with initiatives engaged in during the previous year, the Ethics and Integrity

Program matured and expanded to the point that its fundamental principles were integrated into the Company's processes, notably those activities which are related to third-party management, integrity risk assessment, training, and continuous monitoring. As a result, for the period, greater synchronism was also achieved between the compliance practices adopted across Grupo Carrefour Brasil's businesses.

ETHICS AND INTEGRITY PROGRAM PROGRESS IN 2020

Third Party Management. Third-party management processes were reviewed and consolidated in the period, which was reflected in the expansion of already adopted measures and their broad integration into the Company's operational routines, as well as, for example, maturity gains in the revision of contractual clauses, the monitoring of sponsored projects, and donations made during the COVID-19 pandemic. Among the internal processes and mechanisms for the management of third parties, the Code of Ethical Conduct and the Social and Ethical Charter stand out. These documents set forth desired behaviors from suppliers and business partners, who must formally acknowledge these by way of a signed, written statement.

Policies and procedures. In 2020, the Company's Donations and Sponsorships Policy and its Complaints Investigation Policy were redesigned and published. A principal change carried out for these policies is that both designate clear and formal roles and responsibilities in the execution of each activity covered by these regulations. These documents, together with the Company's Code of Conduct and other internal rules and procedures, form the framework of firm's compliance policies, which also address the issues of Anti-Corruption and Influence Trafficking Prevention.

Integrity risk mapping. In accordance with the Group's methodology, in 2020, the integrity risks matrix was reviewed for Atacadão, Carrefour, and Banco Carrefour to allow, uniformly, the identification, evaluation and treatment of risks related to public and private corruption and influence trafficking that arise from the Company's business processes. The integrity risk assessment methodology adopted by Carrefour Brasil functions within legal parameters and international regulatory frameworks, as well as the recommendations contained in the Sapin II Law, promulgated by the French Anti-Corruption Agency, and ISO standards 31000:2009 and 37001:2007.

Training. In 2020, anti-corruption training sessions were carried out in all business units – Atacadão, Carrefour, and Banco Carrefour – a highlight of which included the launch of an e-learning module on the Code of Conduct, thus facilitating the participation of employees in all locations across the nation. Due to the pandemic, part of this training took place online, which allowed the sessions to reach an audience almost three times larger than that which was recorded in 2019.

Compliance Events. The Company's training agenda was reinforced in 2020 by two events, both also presented in online environments:

- ▶ **Compliance Week:** Held between August 17 and 21, activities took place simultaneously and messages were synchronized for employees of Carrefour, Atacadão and Banco Carrefour. The program covered more than 42 hours of mandatory training on topics such as combating corruption and preventing influence trafficking, thwarting moral and sexual harassment, data protection, tax compliance and occupational health and safety.

- ▶ **Breakfast and Compliance:** Aimed at the leaders of the three businesses, as a means of engaging them in best practices in the compliance arena and to reinforce Carrefour's commitment to ethics and integrity, the event was also attended by guest speakers and members of the Board of Directors.

COMPLAINTS REPORTING CHANNEL

Employees and business partners may report any violation of the Code of Ethical Conduct and other policies to the Ethical Connection. Operated by an external and independent company, it guarantees that individuals who file reports can do so in total secrecy and with protection against retaliation.

All complaints are followed up by the Compliance Board, which supervises channel operations and case investigations, which are carried out solely by employees who have been trained specifically for this purpose, in accordance with the Company's internal investigation methodology. The results are periodically reported to the Ethics Committee and the Statutory Audit Committee.

Ethical Connection

Website: <https://conexaoeticacarrefour.com.br>

Telephone: 0800-772-2975



RISK MANAGEMENT

Risk management is integrated with the decision-making process, based on a specific policy. Therefore, it is pervasive in strategic planning and upon defining investments and projects, in all the businesses. The risk appetite and tolerance are determined by the holding company's Executive Committee (Comex).

Supported by the Risk Management Board, Comex periodically assesses uncertainties and sensitivity factors, oversees a large risk assessment process, and coordinates and monitors the systems used to manage risks. To carry out these tasks, Comex relies on the support of the Risk Committee, whose members are drawn from the leadership of each of the Company's businesses and whose meetings are convened every quarter. The committee can also act in extraordinary circumstances, such as crises, which are situations that demand that a Crisis Committee should also be convened. This structure – which is permanent but mobilized only in critical conditions – is also comprised of already-appointed representatives from each of the businesses and reports directly to Comex.

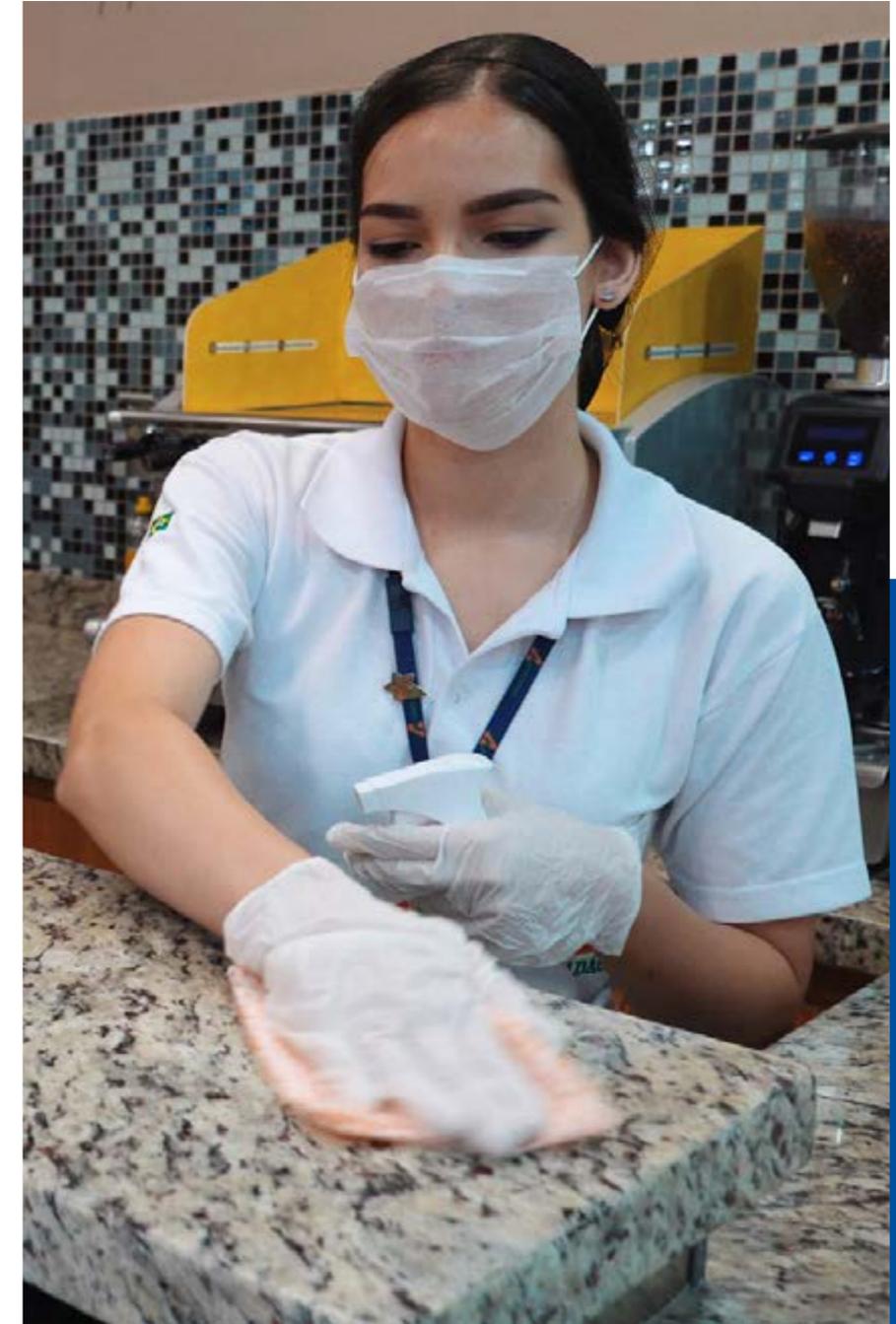
Risk mapping of developed activities is a constant practice. Carried out in the operational and functional divisions of the Company, it is a routine assessment in which the firm's different departments rely on methodological support from and control tools identified by the Risk Management Board.

RISK GROUPING

23 factors, grouped into 5 categories, support the assessment of the main risks to the business:

- ▶ Business environment
- ▶ Strategy and administration
- ▶ Operations
- ▶ Financial risks
- ▶ Financial services

All the risk factors can be found in the [Reference Form](#).



RISK MANAGEMENT SYSTEMS

Seven areas comprise the Risk Management structure:

- ▶ **Risk and Loss Prevention:** responsible for the safety of people working in the Company's facilities, and of property, equipment and intangible assets. It thus manages accidental and intentional risks, such as natural disasters, malicious acts and theft, among others.
- ▶ **Risks, Supply and On-line:** acts so that all processes linked to the areas of the head office and units are applied without impacting the smooth running of activities, always aligned with our ethical standards.
- ▶ **Ethics and Compliance:** ensures respect for ethical principles. It prevents, detects and deals with situations that may constitute any form of corruption, influence peddling and conflicts of interest, in compliance with the applicable anti-corruption laws.
- ▶ **Internal Controls:** monitors the company's exposure to operational risks and continuously checks whether the guidelines are adopted by the headquarters and units. It also disseminates the risk management culture internally.



- ▶ **Quality:** protects consumer health and the Carrefour brand, through compliance with the appropriate legislation, avoiding sanitary infractions and legal sanctions.
- ▶ **HSE:** ensures business continuity and legal compliance, mitigate risks, implement policies and procedures, and promotes the continuous improvement of processes related to occupational health, labor conditions and firefighting, as well as the environment and insurance.
- ▶ **Information Security:** defends the businesses from attacks against technology systems. It protects business-critical data, including employees' and clients' personal information, and maintains adequate cyber resilience.



2

Safety, Health and the Environment

Health and Safety: protection and respect for life

Prevention and occupational action
COVID-19

Environment: commitment and sustainability

Critical chains

Animal Welfare

Partnership and Responsibility
with the Productive Chain

Circular economy

Eco-efficiency: operational
management

IMPACTS AND RESULTS PRESENTED IN THIS CHAPTER COVER THE FOLLOWING CAPITALS:



Organization,
Management and
Compliance

**Safety,
Health and
the Environment**

People,
Diversity and
Inclusion

Society,
Relationship,
and Innovation

Organizational
and Financial
Performance

The Grupo Carrefour Brasil is committed to preserving the integrity of its stakeholder community and the environment. To this end, proper Health, Safety, and Environment management stems from an approach to these issues, both inside and outside the Company's units, that is holistic and where priority is given to anticipating problems and preserving business continuity and growth.

Therefore, we strive to minimize the impacts of our activities on climate change. Equally, year-on-year we have been strengthening our initiatives that contribute to zero deforestation,

such as the socio-environmental monitoring of suppliers. By the close of 2020, 100% of Carrefour's private label suppliers had been internally assessed and certified. The Company also constantly seeks solutions to reduce its impact on ecosystems, such as recycling, which registered a 21% increase over 2019.

Another priority is to preserve the health of clients and employees. In addition to routine workplace monitoring and awareness-raising campaigns, the arrival of the coronavirus pandemic required the rapid and effective implementation of 240 measures to ensure

the health and safety of all. The Company also innovated by creating an internal app dedicated exclusively to providing employees suspected of or confirmed as carrying the virus with medical support and information.

In the safety arena, compared to the prior year, the Group recorded a significant decrease, of 22%, in the number of workplace accidents with lost time. In addition, for the third consecutive year and across the Group's 700+ units, no fatal accidents were recorded in 2020. Throughout the year, more than 50,000 employees participated in training sessions on these topics.



Our employees have become true influencers. They were able to orchestrate and implement a robust plan to combat COVID-19 throughout Brazil.

ELIZEU LUCENA,
Risks Director

The health crisis of 2020 brought to our management questions and challenges that previously were inconceivable. Overnight, we had to reinvent ourselves, restructure our work routines, as well as sensitize and support an ecosystem of over 90,000 employees. Risk management is playing an ever-greater role in the Company and, in recognition of that and with great pride, I can say that we have achieved consistent results.

Our commitment to protecting and preserving health, safety and the environment can be fulfilled thanks to the genuine collaboration of everyone in the Company, as well as through the maturity of our controls, processes, and policies. After six years of intensive work in this direction, we faced the crisis with solid and structured governance, and adapted means and tools that led to rapid and effective action.

In fact, in an exceptional situation, we responded in an exceptional manner! During this year, our employees have become true influencers. With tremendous zeal and rigor, all across Brazil, they were able to orchestrate and implement a robust plan to combat COVID-19, without neglecting all of the other day-to-day affairs of the Company.

Looking ahead, our watchcries are: Innovate, Anticipate Risks, Modernize. With these thoughts in mind, we will be able to develop the tools that will make us an increasingly agile organization that catalyzes the empowerment of our teams."

HEALTH AND SAFETY: PROTECTION AND RESPECT FOR LIFE

OCCUPATIONAL PREVENTION AND ACTION

[GRI 103-2; 103-3; 403-1; 403-3]

The Grupo Carrefour Brasil's occupational health and safety strategy is based on anticipating potential operational risks and working to preserve the health and integrity of all employees and third parties, in compliance with the relevant regulatory standards⁷. To manage these issues, Carrefour has an exclusive directorate, a pioneering structure in the Brazilian retail sector.

It is comprised of multidisciplinary Health, Safety, and Environment (HSE) professionals whose task is to ensure compliance with internal policies and procedures, as well as specific laws and regulatory standards. The Company has over 80 professionals who are focused on the development and implementation of procedures related to these areas of concern. The Group also has an HSE department integrated with the Company's other businesses, which actively participate in strategic decision-making. Furthermore, to best manage these issues, Carrefour's established governance is in line with best market practices.

⁷ At Carrefour, health and safety actions meet the regulatory standards, Technical Instructions and Technical Procedure Rules of the Fire Department, as well as the Brazilian standards approved by ABNT. Atacadão meets the Regulatory Norms - NR1 to NR36 -, in addition to social security legislation: Law 8213/91 and IN INSS DC 99/2003, municipal, state, and federal ordinances, collective agreements, and recommendations of the Public Ministry of Labor.

For its own part, Atacadão has 50 health and safety employees who are dedicated exclusively to providing Specialized Services in Safety Engineering and Occupational Medicine (known by its Portuguese acronym, SESMT). All business units are served by local occupational health service providers, who are managed at the Grupo Carrefour Brasil's headquarters by the corporate health service. In 2020, this sector was restructured, which resulted in the standardization of work instructions and procedures, in addition to encouraging the adoption of a computerized system to manage these processes and their benchmarks for success.

Additionally, each Carrefour and Atacadão store has its own Internal Accident Prevention Committee (known by the Portuguese acronym, CIPA). In 2020, the CIPAs enjoyed the collective involvement of 2,543 employees (effective participants and alternates) who were engaged in anticipating risks and reducing occurrences of accidents in the workplace. Carrefour also has committees in all of its units with representatives who support the dissemination and awareness of the safety culture among other employees. In Atacadão, CIPAs are present in all units with more than 50 employees.

In addition, all stores have Fire Brigades, coordinated by its 3,052 trained brigades, and an important percentage of the units also have Ergonomics Committees. Every month, the HSE teams conduct risk audits, inspections and safety routines designed to raise awareness among all employees. Throughout the year, there were more than 5,650 internal audits that allowed the verification and regularization of eventual risks in the units. [GRI 403-3; 403-4; 403-6]

HEALTH AND SAFETY INDICATORS

[GRI 403-2]

In keeping with the value the Grupo Carrefour Brasil places on the health and safety of its workers, the firm carries out monthly monitoring of work practices in all of its units. This allows the organization to evaluate and optimize the equipment made available to employees for the performance of their duties, as well as constantly optimize the corporate policies that have been developed for this sector of business operations. Year after year, the investments made in this area translate into tangible results that clearly prioritize the well-being of everyone in the Company⁸.

The Group ended 2020 without registering a single fatal accident in the over 700 business units across Brazil. Indeed, Carrefour recorded its third consecutive year without registering a single workplace or work-related employee death. There was also a significant drop, of 30%, in lost time due to injuries. Regarding the number of days lost due to accidents, the same trend can be observed. Compared to 2019, the reduction was 33% in Atacadão and 27% in Carrefour. And lost time injury rates remained relatively stable despite an overall growth in the number of employees.

⁸ At Carrefour, the history of this information is recorded in the CAT (Work Accident Communication) and available in the data analysis systems in the SOC (Occupational Management Integrated Software) and in the Power BI solution. At Atacadão, the records are centralized in the Senior Sistemas platform.

Occupational accidents / total numbers [GRI 403-9]

		Carrefour		ATACADÃO	
		2020	2019	2020	2019
Accidents	Accidents with lost time	632	896	218	205
Injuries	Rate of injuries with lost time	6.9	7.9	1.95	1.86
Days lost (severity rate)	Days lost due to accidents	3,988	5,507	5,413	8,115
	Lost Days Rate (LDR)	37.57	45.46	48.60	73.82

The Group does not have any units and/or activities that could be responsible for triggering serious diseases, nor employee functions that expose workers to the risk of exposure to such diseases. [GRI 403-3]

Historically, the highest concentration of occupational accidents in the Grupo Carrefour Brasil occurs in Brazil's Southeast region, which is also the location in which the Company has its highest concentration of stores. In 2020, prevention and awareness initiatives adopted by the Company resulted in a significant reduction in the occurrence of accidents. Compared to the previous year, in Atacadão the drop was 15%, and 25% in Carrefour units. The latter also recorded a halving of accidents in the country's North, Central-West, and South regions.

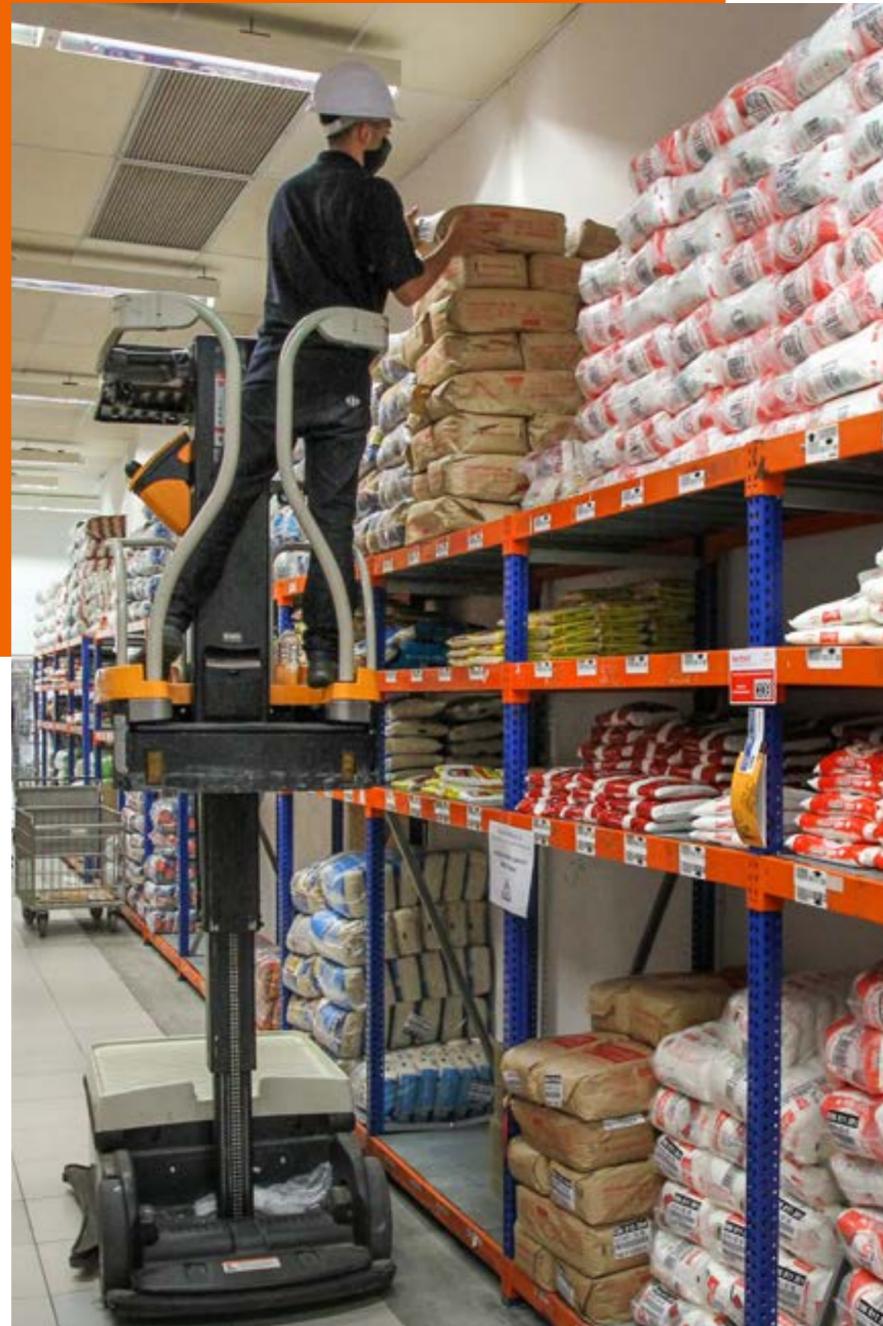
From a gender perspective, Carrefour also confirmed an overall decline in indicators in recent years, with a 37% reduction in accidents among women and 22% among men. In both indicators, Atacadão registered an increase of 10% in cases among women and 20% among men. Overall, the proportion of accidents involving men is higher for both: 382 against 250 cases in Carrefour; 171 against 70 in Atacadão.

Occupational accidents / by region

		Carrefour		ATACADÃO	
		2020	2019	2020	2019
North		13	23	15	21
Northeast		66	77	46	37
Central-west		44	91	33	20
Southeast		481	646	124	146
South		28	59	23	30

Occupational accidents / by gender

		Carrefour		ATACADÃO	
		2020	2019	2020	2019
Female		250	401	70	63
Male		382	495	171	142



TRAINING AND MONITORING

[GRI 403-5]

Besides the material investments it makes toward the well-being and safety of its employees, the Grupo Carrefour Brasil undertakes to raise employees' awareness of the risks of accidents and to train them to prevent occurrences. Each year, the Group coordinates an extensive training agenda dedicated to sharing knowledge and operational experience.

In 2020, there were 12,947 individuals who received training on Health, Safety and Environment-related topics, while 37,528 took part in exclusive training sessions about COVID-19. Approximately 15,000 hours of training were carried out, of which 13,731 were exclusively for occupational safety issues and 1,088 hours for fire safety. In a focused initiative oriented toward effective and conscious management of safety and environmental issues, 810 leaders from the Company's 700+ units received specific training throughout the year.

The COVID-19 pandemic imposed a reorganization of training routines in all of the Group's units. To comply with protocols to combat the pandemic, in conformity with the Regulatory Standard, distance-learning options were adopted. Both in Carrefour and Atacadão, the success of this experience led both to adopt, as from January 2021, distance learning as a means of training employees on other topics. To this end, the firm's transmission platforms have been optimized, thereby ensuring accessibility and inclusion for all employees.

In parallel with awareness-raising activities, specific inspections are regularly carried out to assess conformity with safety processes. In 2020, there were 5,655 internal audits on safety, fire and environmental topics. All units conducted risk mapping initiatives, which resulted in 209 medium risks being identified. All of these problems were corrected and their situations regularized. In Atacadão, the results of these evaluations are systematically reported to the Specialized Services in Safety Engineering and Occupational Medicine team, while in Carrefour they are forwarded to the management board that is exclusively dedicated to these issues.

AWARENESS CAMPAIGNS

In addition to monitoring the occupational health of its employees – which translated into 41,787 occupational examinations carried out during the year – the Grupo Carrefour Brasil periodically runs awareness campaigns in its units, which go beyond labor issues. In 2020, initiatives were reviewed and adapted to the restrictions imposed by the coronavirus pandemic, which generally meant shifting these to digital or remote learning platforms.



Atacadão

In Atacadão, CIPAs play a key role in the Company's holistic approach to employee health. Through Topic of the Month initiatives, in 2020 these committees conducted awareness and prevention campaigns on, for example, sexually transmitted infections (STIs), suicide, smoking, among others. In addition, each store annually hosts an Internal Week for the Prevention of Occupational Accidents (known by its Portuguese acronym, SIPAT) during which lectures and other educational initiatives take place on matters related to physical and mental health. They address topics such as women's and men's health, chronic disease control, healthy eating, and alcohol and drug abuse prevention. Some units work in partnership with local public sector agencies to promote vaccination and blood donation campaigns, among other initiatives.

Carrefour

Carrefour boasts a lively and active calendar for which monthly, thematic campaigns are always being developed to advance the physical and mental health of its employees. The most significant of these are related to breast and prostate cancer prevention.



COVID-19

In March 2020, the global evolution of the pandemic suddenly imposed on society a major reorganization of its daily routines and business habits. In this context, the Grupo Carrefour Brasil acted with speedily and with efficiency, honoring its commitment to serve consumers and provide safety to employees and customers alike. In addition to intensified and centralized shopping flows within the proximity of its units, it was necessary to adopt immediate solutions for the provision of an essential service within the context of new health and safety standards.

In a record time of 15 days, the Group implemented a 240-point plan of action. Special purpose, crisis management committees were formed: One, a 30-member team, was exclusively focused on COVID-19, while another, 20-member, team was charged with partial, pandemic-related responsibilities. An intense routine of two daily meetings was immediately adopted, eventually totaling more than 5,600 hours over the period. To ensure the harmonious implementation of the plan in all regions of the country, the Group stipulated that 500 internal audits would be carried out per month.



ACTION PLAN

- ▶ A 240-point plan was implemented in 15 days
- ▶ The special committees held two meetings every day
- ▶ Collectively, participants devoted 5,600 hours to their extraordinary duties
- ▶ 30 employees were exclusively focused on pandemic response
- ▶ 20 employees were charged with partial pandemic action responsibilities
- ▶ According to the plan, 500 monthly monitoring audits were carried out



SAFETY AND MONITORING OF WORKERS

Armed with the Company's global experience, many of the actions taken by the Grupo Carrefour Brasil turned out to be pioneering in Brazil, and subsequently stimulated the adoption of stricter standards throughout the nation's retail sector. As regards direct actions taken to protect workers, Carrefour was the first in the sector to identify and remove at-risk individuals from potential operational exposure to the virus. Accordingly, the Company protected the health of 3,400 employees, a number which included persons over 60 years of age and pregnant women. Since March 2020, more than 2,000 employees from corporate headquarters, Banco Carrefour, and the administrative staff at the firm's distribution centers have migrated to a remote work regime.

For those workers who remained on the operational front lines, Carrefour committed itself to their health and safety by providing its entire material structure for their protection. In addition to the provision of individual health and safety kits, the business units carried out daily temperature measurements on more than 75,000 employees. In cases of suspected infection clusters, the Company immediately performed COVID-19 tests on those individuals. In Brazil, the Group was the first to install acrylic panels in its checkout lanes. In total, 11,800 were installed in units nationwide.

To ensure the monitoring of employees suspected of carrying the infection, the Company innovated by developing an internal app, Coronavirus Carrefour (<https://corona-virus-carrefour.web.app>), which employees used to self-report their symptoms. When an infection was confirmed, the worker received personalized support through a telephone service channel, which was managed by a team of nine doctors, three nurses, and 15 nursing assistants. All information about the health of employees was centralized and attended to by the medical division, which thus ensured the safe and confidential custody and handling of sensitive data being shared by the workers.



CORONAVIRUS CARREFOUR APP

- ▶ Developed to identify and assist internal suspected cases
- ▶ 100 reports were filed every day

THE CARE CHANNEL OFFERED MEDICAL SUPPORT AND ONGOING MONITORING

- ▶ 9 doctors
- ▶ 3 nurses
- ▶ 15 nursing assistants



Erika Robles, Coordinator of Specialized Services in Safety Engineering and Occupational Medicine, Grupo Carrefour Brasil

COVID-19: Advise, monitor, and support

For more than a year, we on the health team have been mobilized to support our employees. By March 2020, we had identified and removed at-risk employees from the workplace. We also established direct and confidential communication channels via an app and an internal telephone exchange. For suspected and confirmed cases, we adopted a daily contact routine until such time a given individual was virus-free. As part of our monitoring regime, no regard was paid to hierarchy or other distinction. All individuals were given priority status. In addition to medical assistance, we sought to be present, embracing our colleagues during such a difficult time, and in the face of a disease that imposes so much isolation.

IN-STORE SAFETY INVESTMENTS

The COVID-19 safety plan was adopted by the Grupo Carrefour Brasil for all of its operations: hypermarkets, supermarkets, wholesale sales, convenience stores, distribution centers, pharmacies, gas stations, banks, and e-commerce. To ensure compliance with cleaning protocols, the unit teams were reinforced by 8%. In addition, immediately after the issuance of the pandemic decree, all units were equipped with social distancing signage and began to limit the flow of customers in and out its stores. Temperature measurement of employees and customers became a standard, mandatory practice in all of the company's units.

The Company also mobilized to develop and facilitate safe shopping experience solutions, such as an ultraviolet light machine that sanitized customer purchases upon exiting the supermarket. After paying, a customer could push the loaded shopping cart into the device, which would then seal itself to protect people. The products are then exposed to radiation emitted by UV light, thereby sanitizing them by eliminating viruses, bacteria and other microorganisms on surfaces. Deployed in several Carrefour stores in June 2020, its use eventually was expanded to the Company's in Hiper (Hypermarkets) and Bairro (Neighborhood) stores.



In August 2020, the Group became a pioneer in Brazil by receiving MyCare seal recognition from DNV, a global risk management specialist. The evaluation concluded that Carrefour, Atacadão, and the Company's property division were attending to the safety protocols for signage, sanitation, and disinfection, as well as employee and customer protection.





Anderson Paiva,
Regional Director,
Carrefour Hypermarket
Operations for the North
and Northeast Regions

Leading in Pandemic Times

In 2020, I was the Operations Director for Manaus and four states in the Northeast region. When the coronavirus pandemic arrived, I saw my daily work change radically. With our regional teams, I had to act quickly, implementing COVID-19 protocols to ensure safety within our stores, taking care of everyone's health. I deeply appreciated the direct assistance I received from employees working at home and having the opportunity to contribute to the protection and welfare of those who continued guaranteeing the supply of essential products to the population.

AWARENESS-RAISING AND INTERNAL TRAINING

In addition to regulatory practices, the Company invested in raising employee awareness through training and unified information content. On March 23, the Group published the first version of its best digital practices booklet as a means of improving operations and services in the retail sector. Have a look at the materials [here](#). In partnership with the Company's internal marketing and communication teams, multimedia disclosures were created exclusively for workers. In Atacadão alone, over 100 pieces of information were shared internally via such disclosures.

In addition, Carrefour created a mandatory, online training program on COVID-19. In total, 37,528 employees benefitted from the acquisition of knowledge and information about prevention, home and work care, risk group management, etc. In Atacadão, information regarding the necessary precautions to take to mitigate virus transmission was shared at internal, Daily Safety Dialogue events and over the closed-circuit radio system within the stores.

Scope of activities in 2020

19,700

action plans, 17,000 of which were completed in 2020

50,000

employees trained on issues related to Health, Safety and the Environment

14,800

hours of training focused on Occupational Safety

5,600

internal safety, fire, and environmental audits

3,000

fire brigade members trained

800

unit leaders (officers and managers) provided with specialized safety and environmental training

Risk mapping carried out in **100%**
of the units

47,700

occupational examinations performed

ENVIRONMENT: COMMITMENT AND SUSTAINABILITY

CRITICAL CHAINS

[GRI 103-2; 103-3; 308-1; 308-2; FB-FR-430a.3]

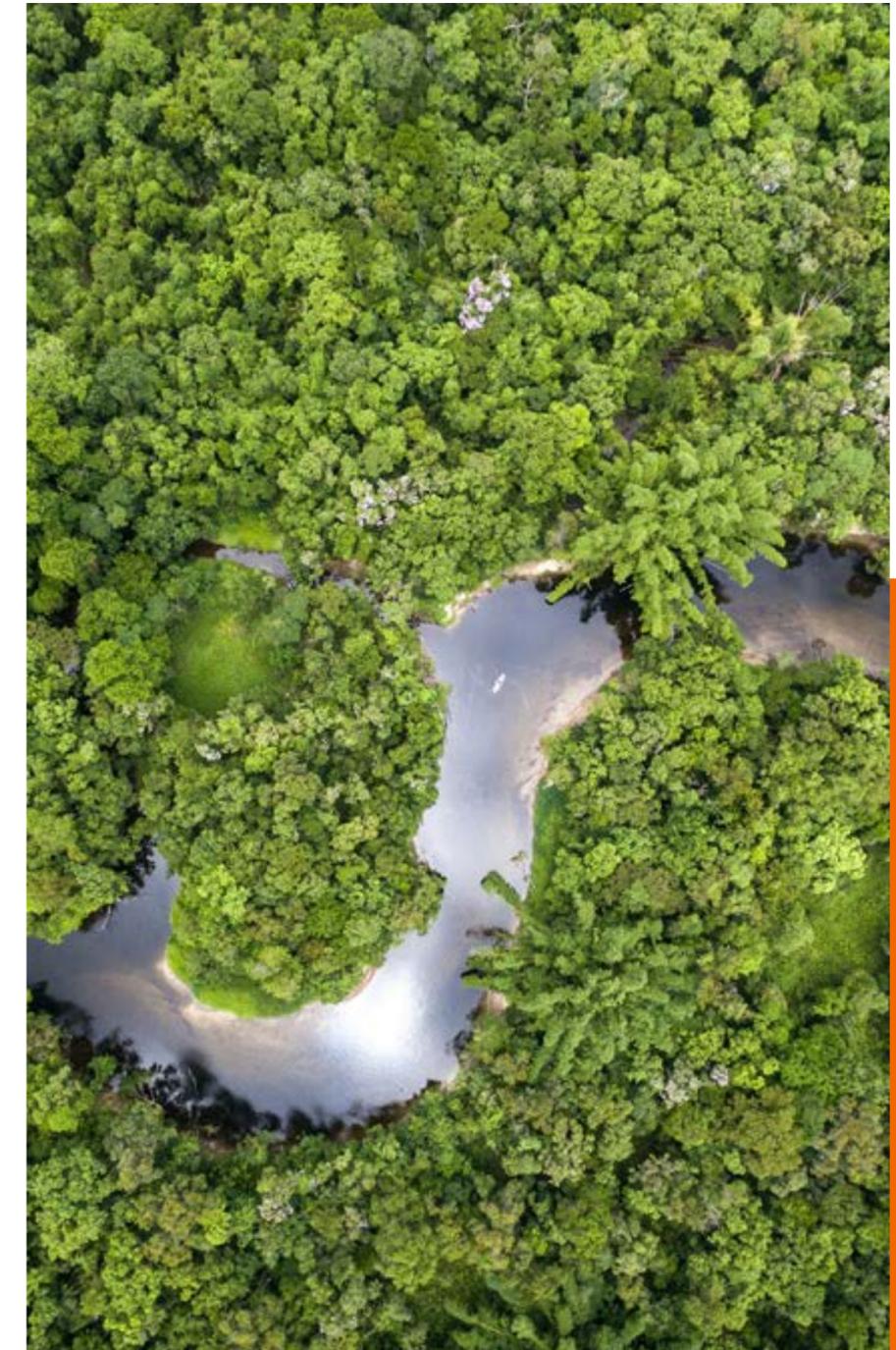
The Grupo Carrefour Brasil seeks to act as a transformational agent, engaging suppliers to adopt production practices that minimize the impacts of climate change and respect principles related to environmental conservation, animal welfare, and human rights.

Some supply chains that are considered critical to the Company can have a negative impact on their surrounding environments – influencing, for example, climate change and/or community operations. Examples in this regard include livestock and soybean cultivation, where these activities are concentrated within the Amazon and Cerrado (savannah) biomes; as well as suppliers of swine and eggs, whose production runs up against a relevant theme for Carrefour: animal welfare. Other chains considered critical are fishing, due to its environmental impact on rivers and oceans; and textile manufacturing, for which there are also strict social criteria to be observed by suppliers.

ZERO DEFORESTATION

Protecting forests also means preserving biodiversity, local populations, and minimizing impacts on climate change. In this regard, the Grupo Carrefour Brasil seeks to engage suppliers in efforts aimed at zero deforestation. **In 2020, the Company raised the profile of this issue, implementing solutions that reduce the impact of production chains on ecosystems and improving its purchasing policies.**

Protecting forests also means preserving biodiversity.



LIVESTOCK

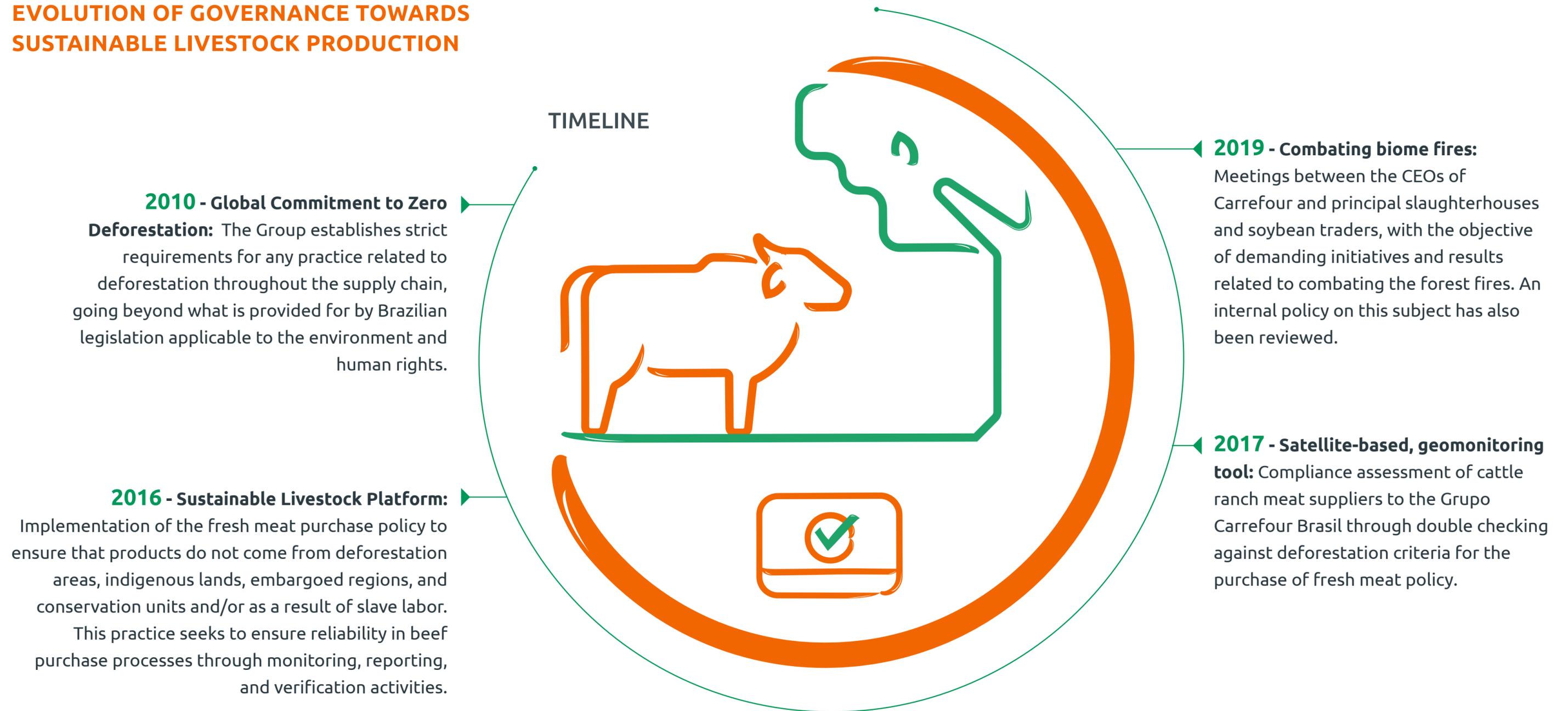
In 2020, the Grupo Carrefour Brasil **achieved its goal of monitoring 100% of its direct suppliers of fresh meat based on criteria to combat deforestation and slave labor, as well as issues such as encroachments on indigenous lands, the protection of conservation units, and embargoes imposed by the Brazilian Institute of the Environment and Renewable Natural Resources (Ibama)**. The Company has defined criteria for the preventive blocking of shipments from slaughterhouses that do not comply with environmental legislation and the Group's internal policies, at least until corrective measures are adopted.



PROGRESS IN 2020

- ▶ Socio-environmental monitoring of 100% of suppliers of fresh meat marketed by the Group to assure compliance with the firm's internal purchasing policies.
- ▶ Double verification of the origin of meat: Monitoring to assure conformity with the Company's demands as regards the origin of the products and setting forth required purchasing bans in cases of non-conformity. Thus, in addition to the verifications offered by suppliers in their raw materials purchasing processes, the Group carries out a double check to ascertain the origin of the meat it is purchasing, which is carried out in cooperation with the Company's Sustainability and Commercial divisions.
- ▶ Initiation of engagements with other categories of suppliers, such as processed meats and warehouses.
- ▶ Review of the internal policy for purchases of animal protein: In addition to the Amazon, the Cerrado (savannah) biome was included, requiring suppliers to operate in deforestation-free areas.
- ▶ Creation of the Internal Meat Committee: Weekly meetings involving the Commercial, Food Safety, and Sustainability divisions of the Group's companies are held, with oversight provided by the Board of Executive Officers, to define engagement strategies when dealing with partner slaughterhouses.
- ▶ Creation of a Terms of Commitment document to be signed by partner slaughterhouses.
- ▶ Supplier lockouts: Provisional suspension of supplier slaughterhouses located in the state of Rondônia, with purchasing to resume only when they have proven to be in compliance with Grupo Carrefour policies.
- ▶ Adoption of preventive lockout criteria: Applied to slaughterhouses not included in the Company's monitoring system as from January 2021.
- ▶ Use of a pilot project as a means of monitoring the indirect supply chain for slaughterhouses in Brazil in association with the National Wildlife Federation (NWF) that makes use of the Visipec traceability tool.

EVOLUTION OF GOVERNANCE TOWARDS SUSTAINABLE LIVESTOCK PRODUCTION



Institutional activities

[GRI 102-13]

In addition to governance activities, the Grupo Carrefour Brasil invests in a positive external agenda. The company volunteered, for example, to adopt a park in the Amazon biome, a move made for the first time by a Brazilian company. The initiative consists of protecting an area of 75 thousand hectares, in the Resex of Lago do Cuniã, in the state of Rondônia, from fires and deforestation actions. The initiative also proposes to restore degraded areas, measures for which the Company will allocate investments of R\$3.7 million. As part of the Federal Government’s “Adote 1 Parque” program, this action is supported by the Ministry of Environment and the Chico Mendes Institute of Biodiversity (ICMbio).

Another guideline adopted by the Company is the development of projects in partnership with projects developed in partnership with benchmark entities in environmental debates and engaged in the search for solutions to combat deforestation. Among these, highlight to the **Sustainable Calf Production Program**, which was developed in 2018 with support from the Carrefour Foundation and in partnership with the Sustainable Trade Initiative (IDH). The project operates

along the first links in the meat production chain, providing guidance to small producers on sustainable livestock production. More information is available [here](#).

Boi na Linha (Cattle Line). For two years, the Company contributed toward the formulation of the Unified Monitoring Protocol, or Harmonized Livestock Production Protocol (PHP). Currently, the firm is a signatory to the initiative, together with the Forest and Agricultural Management and Certification Institute (Imaflora) and the Brazilian Public Prosecutor’s Office (MPF). Its purpose is to promote the harmonization of criteria and procedures for monitoring farms, and contribute to strengthening social and environmental commitments in the Amazon’s beef value chain. Although the protocol entered into force in July 2020, its rules had already been applied by the Grupo Carrefour since 2019.

Together for the Amazon. In 2020, the Company joined the Together for the Amazon program. Along with significant representatives from industry, retail, meat producers, NGOs, and government, the Group participated on the advisory council of the Fund for the Amazon, an

initiative led by JBS, the world’s largest meat processing company. The firm contributed its knowledge and expertise on the issue of the livestock chain.

Sustainable Livestock Working Group. Since 2007, the Company has participated in the Sustainable Livestock Working Group (Portuguese acronym: GTPS), of which it is a founding member. Until 2020, it was the only retailer in the supermarket or wholesale foods segment active in the group.





SOYBEANS

Soybeans are present, directly and indirectly, in any number of products, including private label items. They are used, for example, as an ingredient in many processed foods, in addition to being widely used in animal products, as a basis for the production of feeds. Due to the importance of this raw material for the entire production chain, the Grupo Carrefour Brasil works to promote its responsible cultivation. For example, since 2007 it has participated in the Soybean Moratorium, a commitment that stipulates that grains originating in the Amazon biome will not come from deforested areas after July 24, 2006. In addition, the Company is active in this fight on four fronts:

- ▶ Internal diagnosis of private label soybean footprint, as based on several priority products: poultry, eggs, pigs, and fish/shrimp, as well as pet foods and milk. As a basis for calculation, the Company uses the Round Table on Responsible Soy (RTRS) Association's soybean footprint calculator, that identifies the percentage of soy contained in each type of product, allowing you to check how much products influence the country's soy production complex. In 2020, Carrefour Brasil's total footprint was 7,590 tons.
- ▶ Sectorial and trader dialogues to share experiences and demands.

- ▶ Partnership with the World Wildlife Fund (WWF) via the Collaboration for Forests and Agriculture (CFA) to develop decision support tools and improve information transparency. Through an evaluation of internal policies and practices in relation to issues related to soybeans and livestock, the Group established a progressive action plan with targets extending through 2025. The main themes are: internalizing actions in group practices, mapping the risks inherent to the chain and engaging suppliers serving as a multiplier platform, as well as monitoring and reporting progress.
- ▶ Engagement of suppliers, via a CFA hub, to eliminate deforestation in the chain through the development of individualized action plans according to the reality of each supplier.

SUSTAINABLE FISHERIES

Carrefour seeks to encourage the responsible production and consumption of fish products, while ensuring the Group's ability to offer these products to customers in the long term. In doing so, it takes various measures to ensure the marketing of abundant species and the legality of fishing, as well as developing a sustainable local supply and supporting responsible forms of farming.

Among the highlights are fresh tilapia fillets from ASC (Aquaculture Stewardship Council) certified companies, which promote the best environmental and social performance in aquaculture. For frozen cod, the MSC (Marine Stewardship Council) certification is adopted as a criterion, which inhibits the illegal capture of fish.

ADVANCES

63%
was the representativity of fish of responsible origin in sales in 2020, surpassing the goal of 50%.



ANIMAL WELFARE

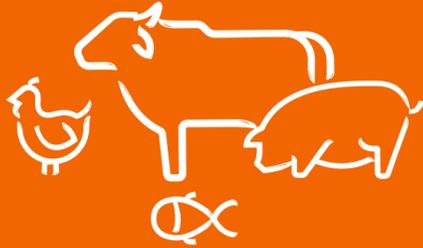
Throughout its value chains, the Grupo Carrefour maintains its focus on animal welfare by ensuring the adequacy of suppliers and the improvement of best animal management practices. In December 2020, the Company formalized its policy on this subject, which in 2018 began to be adopted in its egg production chain and now extends to other animal proteins sold under its private label brand. The document delineates guidelines and specific goals, such as ensuring the “five fundamental freedoms” defined by the Farm Animal Welfare Council (FAWC), a reference body in the principles and legislation on the subject:

- ▶ **Physiological freedom:** Absence of hunger, thirst or malnutrition.
- ▶ **Environmental freedom:** Adapted housing, absence of climatic or physical discomfort.
- ▶ **Health freedom:** Absence of pain, injury, or disease.
- ▶ **Behavioral freedom:** Ability to express normal behaviors, specific to each species.
- ▶ **Psychological freedom:** Absence of fear or distress.

In this regard, the Company has prepared a progress plan with several commitments, covering the entire value chain. Through it, the firm is seeking to achieve 10 priority objectives, which have been set forth in the Group’s Animal Welfare Policy:



GOALS
Animal Welfare



- 1) Combat resistance to antibiotics and the use of growth hormones.
- 2) Prohibit cloning and genetically modified animals and seek biological diversity.
- 3) Transition from cage rearing and limit the use of animal confinements.
- 4) Keeping stress during transport and slaughter to a minimum.
- 5) Limit mutilations and systematically optimize pain management.
- 6) Ensure proper nutrition.
- 7) Require health monitoring.
- 8) Ban animal testing (cosmetics and household products).
- 9) Prohibit materials of animal origin not derived from livestock whose primary purpose is food production.
- 10) Improve habitat comforts.

Thus, Carrefour undertakes to guarantee for all proteins sold by the Group:

By 2022:

- ▶ The audit of 100% of slaughterhouses that supply Carrefour’s Sabor & Qualidade brand for compliance with its animal welfare criteria.

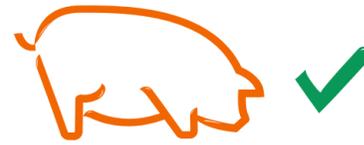
By 2025:

- ▶ The auditing of 100% of the slaughterhouses that are suppliers for Carrefour’s other private label products for compliance with the animal welfare criteria.
- ▶ Prohibition of animal testing for all Carrefour brand cosmetic and cleaning products.
- ▶ Prohibition on the private label and national brands of selling materials of animal origin (leather, feathers, etc.) other than those from animals slaughtered for food production purposes.

In addition to these new global commitments, the Group already has two specific policies in place for the purchase of eggs and pigs.

PIGS

In 2020, Carrefour made progress towards several objectives it established to engage the pig supply chain by adopting best animal welfare practices. For example, It achieved the goal of abolishing the preventive practice of cutting or wearing out teeth, and brought forward by two years the goal of reducing the gestation period, from 35 days to 28 days, for 100% of females. These are part of the criteria announced by the Company at the end of 2019, which are aimed at suppliers of the firm's private label, Sabor & Qualidade brand, which represent 74% of the pork meat sold at the chain's butcher counters. In December 2020, the progress plan also considered criteria regarding the use of antibiotics. For its decision-making, the Group relied on expertise and support from the World Animal Protection NGO.



PROGRESS IN 2020

- ▶ Abolishment of the practice of teeth clipping or grinding.
- ▶ Reduction of the period that sows may be kept in gestation crates, from 35 to 28 days, for 100% of these animals.
- ▶ Use of antibiotics only as a curative measure, on an ad hoc basis, and substituting these with phytotherapies (herbal medicines) or probiotics when pigs are sick.
- ▶ Conducting studies and tests on the most appropriate management of pig tail docking, a subject upon which specialists have yet to reach a consensus. Currently, to prevent the tails from being mutilated, only the final third is docked.



IN PROGRESS

- ▶ Abolition of notching (attaching an ear tag for the sake of animal identification) by the close of 2022.
- ▶ Transition from surgical castration to immunocastration for all animals by the close of 2025. To assure that the quality of the meat is not compromised, studies and tests will be carried out to adapt the animal's fat and weight percentage.
- ▶ Continuous improvement in pig husbandry, with investments in more interactive animal environments (environmental enrichment).
- ▶ Monitoring the use of antibiotics, with the goal of zeroing this practice out by 2030 for 100% of pigs.
- ▶ Engaging other suppliers, through meetings and workshops, to monitor their progress and share the experiences achieved for the Company's private Sabor & Qualidade label.

EGGS

To undertake changes related to animal welfare in egg production, the Grupo Carrefour has the support of benchmark international entities in this debate: Animal Equality, National Forum for Animal Protection and Defense, Humane Society International, Mercy for Animals, and Compassion in World Farming. As a result, in 2018, the Company became a pioneering national retailer to be the first to make a public commitment to market eggs derived only from cage-free chickens.



ADVANCES IN 2020

Goals achieved

100%
of the Flavour & Quality (Sabor & Qualidade) seal eggs come from cage-free hens.

33%
of Carrefour private label suppliers are already integrated in this production modality.

IN PROGRESS



100%
of the eggs of all private brands will come from this system by 2025. The perspective is that, in 2021, 64% of suppliers will already adopt the model.

100%
of the eggs of all national brands sold will be cage-free by 2028. According to the plan, by 2024, 69% of suppliers will have already adopted the system.



PARTNERSHIP AND RESPONSIBILITY WITHIN THE PRODUCTION CHAIN

Respect for the environment and human rights are principles about which, through various activities, the Grupo Carrefour Brasil seeks to engage its supply chain. Initiatives include, for example, a close relationship with small farmers, aiming to help them expand their activities, either through the growth and development of community businesses or within the productive chain. The Company has even created a division dedicated to offering exclusive financial services to this constituency.



HUMAN RIGHTS IN THE SUPPLY CHAIN

As it is committed to ethics and transparency in business, the Company's fundamental approach in its commercial relationships with its suppliers is premised on a respect for labor laws and human rights. As a signatory to the U.N. Global Compact, the Group seeks to contribute effectively to the achievement of the UN's Sustainable Development Goals (SDGs), which are related to these issues: Responsible Consumption and Production, Health and Welfare, Decent Work and Economic Growth, Reduction of Inequalities, Sustainable Cities and Communities. [GRI 409-1]

To verify compliance with practices related to these themes, all private label suppliers undergo social audits during the selection and contracting process, and throughout the term of their contracts. [GRI 414-1]

In 2020, 345 direct suppliers of private label items were assessed for their social impacts. Of this total, due to the histories associated with textile, as well as fruit, vegetable, and perishable goods chains, 210 suppliers were identified as potential causes of negative social impacts, such as precarious labor conditions or the use of irregular immigrant labor, analogous to slave or child labor. Among several direct suppliers for private label brands, 19 evidenced real impacts regarding health aspects of

workers' safety and violations of labor rights, and where 17 of these suppliers evidenced worsening situations. In addition, the monitoring of slaughterhouses, via geolocation methods, also aims to ensure the absence of child or slave-like labor practices. During the period, there were no contracts concluded with direct suppliers after evidence of such practices was detected. [GRI 414-2]

INTERNAL GOVERNANCE ACTIVITIES

In addition to production quality standards, suppliers and business partners of the Grupo Carrefour Brasil must develop commercial practices that are free of any form of corruption, and which must demonstrate an unconditional respect for all human workers' and environmental rights. These must also be contractually formalized between those entities and the Company. In this regard, the "Code of Ethics and Social Conduct for our Suppliers" and the "Social and Ethical Charter" (available at www.conexaoeticacarrefour.com.br) are the documents that guide Carrefour's social interactions and are mandatorily signed by all suppliers.

The former contains specific clauses demanding strict commitment to the standards set forth in current labor legislation. The text contains clear guidelines for compliance with legal and fundamental standards – fair wages and benefits, as well as contractual conditions that ensure decent employment. In turn, the Social and Ethical Charter is the document through which the Grupo Carrefour Brasil’s business partners make an express commitment to develop transparent, honest, fair, and just business practices. In addition, to mitigate the risks of non-conformities in supply chains, through various processes and tools, the Group engages in:

Risk Mapping: Periodic risk analyses are carried out through the use of an internally-developed tool, which combines two variables regarding sectors and regions of risk within the productive chain: Data from Brazil’s National Classification of Economic Activities (CNAEs) and the Labor Department’s dirty list are compared against the Company’s database of partners to ensure that negotiations are not being carried out with suppliers that have been identified as having disrespected the rights of workers.

Due Diligence on Integrity: This procedure, which is conducted during the admission screening process for new business partners, involves the collection and analysis

of public source information to determine the suitability of these suppliers. To assess the degree of risk stemming from business relationships, the activity is executed jointly by private consultants and an in-company team. It is performed on all suppliers every two years; sooner in cases where specific concerns have arisen.

Independent annual audits: To mitigate the risk of breaches of labor, environmental, or human rights standards, 100% of private label suppliers undergo independent audits as part of the Compliance and Sustainability Initiative (ICS) social protocol or the Brazilian Association of Retail Textiles (ABVTEX) protocol. In the case of the textile chain, this control is also extended to subcontractors.

Suspension supply contracts: Those who are subject to audits and who have been found to have disrespected human rights and decent working conditions have their supply contracts suspended until non-conformities have been corrected.

Human Rights Working Group: A body within which strategies are discussed to ensure social responsibility in the supply chains, with an eye towards accelerating activities involving social audits and tracking progress. It consists of employees from the social audit, commercial,

sustainability, risk management and quality divisions of the Company.

Human Rights Committee: Established in January 2021, the internal working group is dedicated to issues related to corporate social responsibility and human rights in the fruit and vegetable chain. It consists of members from the commercial, perishable goods, risk management, sustainability quality, communication and compliance divisions of the Company.

Supplier training: Individual monitoring in partnership with the firm’s most critical fruit and vegetable chain suppliers; offering support to improve practices. Development of an action plan in cases of non-compliance with Company policies and promotion of annual sectoral training opportunities.

Sustainable meat purchasing policy: As regards livestock, suppliers also commit to a specific policy, which promotes a more sustainable activity, in which measures are defined to mitigate socio-environmental risks, such as slave labor.

Organization,
Management and
Compliance

**Safety,
Health and
the Environment**

People,
Diversity and
Inclusion

Society,
Relationship,
and Innovation

Organizational
and Financial
Performance

Engagement in institutional initiatives on human rights

Since 2015, the Grupo Carrefour Brasil has been a signatory to the UN Women's Empowerment Principles and, with the trade union federation, UNI Global Union, an international agreement to promote social dialogue and diversity to ensure the protection of fundamental principles and rights in the workplace. The Company also participates in forums organized by the sector and civil society aimed at debating and seeking advances on the subject. These include:

- ▶ **National Pact for the Eradication of Slave Labor Institute (InPacto):** The Company is a founding member and curator of InPacto, which has been promoting decent work for 15 years.
- ▶ **Compliance and Sustainability Initiative (ICS):** The Company is a member of this industry initiative, whose global scope and aim is to improve working conditions across the global supply chains of member retailers and brands.
- ▶ **Brazilian Association of Retail Textiles (ABVTEX):** As an associate, the Group works to implement ABVTEX's recommendations regarding best compliance practices between suppliers and subcontractors with regard to combating slave and child labor in the fashion retail value chain.

SUSTAINABILITY FOR SMALL FARMERS

[GRI 102-9; 102-10]

Launched in 2020, the Small Farmers Shipping Platform aims to be more involved with the Small Farmers Group, such that it will be more empowered to advance economic and responsible inclusion, while respecting biodiversity preservation values. By working more closely with small cooperatives of local and regional farmers, as well as indigenous and quilombola communities, this initiative disseminates best agricultural practices for food production, respecting, for example, the seasonality of products. It values products from biomes such as the Cerrado (savannah) and other regions, such as the Northeastern Sertão, cultivated in an ecological manner by indigenous peoples.

Among the direct benefits to farmers, the platform offers solutions on how to boost income, and opportunities for the regional improvement of social inclusion and economic development. In 2021, the initiative will also include a policy for small farmers based on supply criteria, thus ensuring fair trade and facilitated contractual arrangements, such as exemptions from differentiated rates and deadlines.

COMMUNITY BUSINESS ACCELERATION PROJECTS

Cerrado (savannah) products. In partnership with the NGO, WWF Brasil, and via the Carrefour Foundation, 500 families from traditional communities in the *Cerrado* section of the country are benefiting from an inclusion program in two priority regions: Mosaico Sertão Veredas Peruaçu and Chapada dos Veadeiros. The training of over 100 farmers aims to improve agro-extractive processes and business management, provide access to new markets for biome products, and introduce the "Brazil Origins Seal" for selected chains, thus encouraging the conservation of ecosystems and the sustainable development of people.

In addition, the project involves the development of a supply and marketing model to incorporate native Cerrado fruits into the portfolio of the Group's stores. To date, this initiative has enabled an increase of over 10% in the volume of operations from Cerrado Central – an umbrella organization uniting non-profit cooperatives – and the supply of more than 200 tons of local products.

Conversion to organic and market access for family farmers.

In partnership with the Getúlio Vargas Foundation and support from the Carrefour Foundation, this project aims to strengthen organic food value chains in the state of São Paulo. Approximately 100 small farmers are being trained to transition from traditional to organic agriculture on farms located in the city of São Paulo’s green belt, a preservation region that covers 39 municipalities in the São Paulo-metro area.

Products from the Northeastern Sertão. Administered in partnership with a cooperative owned by the NGO, Amigos do Bem (Friends Doing Good), the project aims at the socio-economic and productive inclusion of 780 families from the northeastern sertão region through the commercialization of regional biome products, focusing on cashew nuts. In 2020, more than 280,000 packaged portions were sold by Carrefour.



Brumadinho. Carrefour was the only retailer to support farmers impacted by the 2019 dam collapse in the municipality of Brumadinho, Minas Gerais. From these suppliers, the Company purchases goods such as lychees, tangerines, vegetables and garlic-based seasonings. In addition, the firm invests in the commercial training of farmers and offers support, through cooperatives in the region, on projects related to the cultivation of organics and hydroponics.

PRODUCTION CHAIN PROJECTS

Sustainable Calf Production Program. Since 2018, with € 3 million worth of support from the Carrefour Foundation and in partnership with the Sustainable Trade Initiative (IDH), the Group has been empowering more than 450 small rural farmers in Vale do Juruena and Araguaia in the state of Mato Grosso. In addition to investing in the first links of the meat production chain, the project promotes income generation and socioeconomic inclusion of farmers in vulnerable situations.

From an environmental point of view, the program enables increased productivity through access to technology and the adoption of best practices in the field. With the support of agronomists, it promotes the genetic improvement of animals and the recovery of pastures. Farmers also receive support for land and environmental regularization, and access to appropriate lines of financing.

In 2020, the scope of the project expanded, integrating a partnership with the Vale do Amanhecer Farmers’ Cooperative (Coopavam) to develop the Brazil nut production chain. Coordinated responsibly by family farmers and indigenous peoples in the states of Mato Grosso and Rondônia, the initiative allows for the sustainable territorial development of the region and the conservation of 1.5 million hectares of Amazon forest land. In 2020, a total of 25 tons of these Brazil nuts (unshelled) were marketed by Carrefour.

Fast Cash. As of July 2020, the Grupo Carrefour Brasil has been offering small rural farmers an advance on their receivables with special fees. Through Fast Cash, a business unit that operates with exclusive financial services for its suppliers, the Company supports these professionals. Through Fast Cash, a business unit that operates with exclusive financial services for its supplier, the Company supports these professionals at a time when bank credit is scarce. More information is available here.

MORE SUSTAINABLE AND HEALTHIER PRODUCTS

[GRI 103-2; 103-3; FB-FR-260a.2]

More than offering healthy and quality foods, the Grupo Carrefour Brasil seeks to facilitate access to these items for its customers. Some practices in this regard:

- ▶ **HEALTHY SPACES** – aisles that concentrate the offer of foods with these characteristics, which has also driven the largest assortment of products. **At the end of 2020, 2,400 items were available in these areas, installed in 91 hypermarkets.**
- ▶ **PRIVATE LABEL BRANDS** – 2,769 food products are marketed under Carrefour’s various private label brands, 600 of which were launched in 2020. Prices charged for these items are, on average, 30% lower when compared to those of leading brands. During the initial period of the COVID-19 pandemic, prices were frozen to further facilitate customers’ access to these consumer options. **During the year, private label-branded products accounted for 15% of food sales, a 26% growth over 2019.**

PORTFOLIO IN EXPANSION

Six new private label, focused on different segments, were included in Carrefour’s portfolio in 2020:

- ▶ **Carrefour Bio**, exclusive to organic products, with more than 300 items launched
- ▶ **Carrefour Veggie**, aimed at vegans and vegetarians
- ▶ **Carrefour Soft**, with perfumery items
- ▶ **Carrefour Essential**, covering cleaning supplies
- ▶ **Carrefour Market**, including perishable options
- ▶ **Carrefour Classic**, bringing together grocery products

2,769
food products are
marketed under
Carrefour’s various
private label brands



The new products expand the reach of private brands and, consequently, the access of customers to a larger assortment, a strategy that has been adopted by Carrefour in recent years. The entries are added to the Company's own other brands:

SABOR & QUALIDADE: An exclusive line of healthy foods, produced in a socio-environmentally responsible manner and whose production stages are fully traceable. Products marketed under this brand meet five criteria: taste, quality, authenticity, fair price and sustainability. Deriving from 20 production chains, in 2020, more than 420 items were sold under this brand. Customers can learn more about the product before arriving at the gondola, by identifying the suppliers and information on the packaging, accessible via QRCode. For items tracked by Blockchain technology, the detailing of the food's history is even higher.

VIVER (Living): with natural and nutritious formulas, the Viver Line products are produced for people with different dietary needs or who practice healthier eating habits. In 2020, the line's packaging was revitalized, and the products were reformulated to offer only 100% healthy items.



CARREFOUR SELECTION: brand for marketing premium products, such as olive oils, chocolates, spices and panettones.

NAUTA: exclusive brand in Brazil, offers special beers from different countries. The Nauta portfolio currently consists of 12 products.

TERROIRS DU MONDE: exclusive brand to provide customers with quality wines at prices approximately 30% lower than similar alternatives. It offers a variety of wines from France, Chile, Spain and Portugal, a scope that should be expanded to products from other countries in 2021.

TEX: family and home product line. Includes adult and children's attire, intimate fashion, footwear, accessories, bed, table and bath items.

LABELING

Labeling of private label products obeys regulatory requirements. Thus, for food packaging, the customer finds information on composition, net weight, nutritional table, storage conditions and the manufacturing and expiration dates, among others.

They also inform if there are or may be in the composition any substances or ingredients among the 18 that most cause allergies, as established in a National Sanitary Surveillance Agency (Anvisa) resolution. For fruits, vegetables and greens and Sabor & Qualidade products, the origin of the raw material and/or ingredients is also reported. Furthermore, there are guidelines on the correct disposal of packaging, including reporting the existence of recycling stations in stores. **[GRI 417-1]**

To comply with all applicable laws, the wording of our private label products is prepared and validated by specialized legal text companies. Thus, the guidelines issued by the National Institute of Metrology, Quality and Technology (Inmetro), Anvisa, Ministry of Agriculture, Livestock and Supply (MAPA) and Procon are included upon preparation. The labels are reviewed annually. Regarding products from other brands, the labels of all perishables delivered to distribution centers are verified by a specialized quality control team. **[GRI 417-1]**

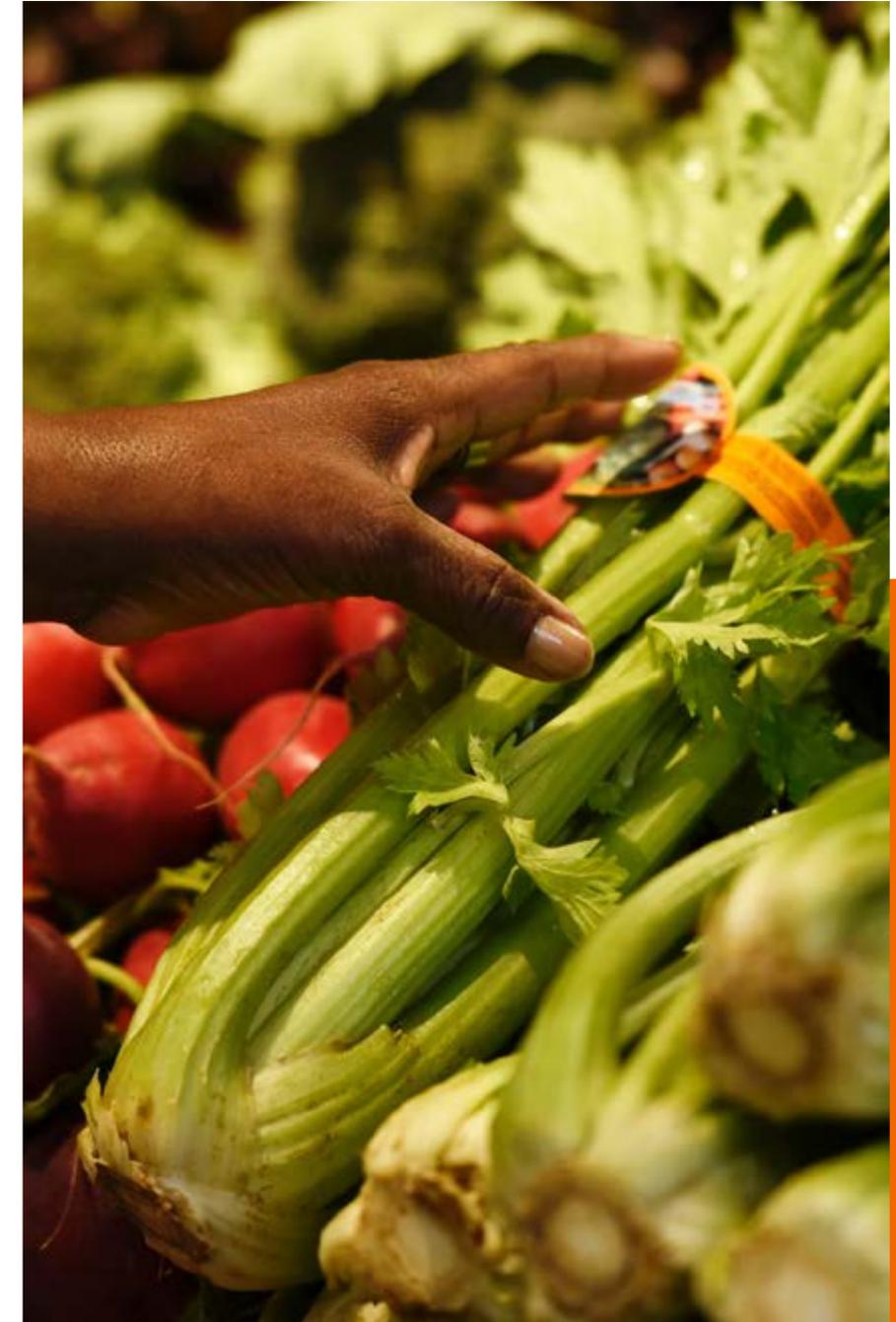
In 2020, 20 cases of non-compliance related to information and labeling of products and services that generated fines or sanctions were received, all reported to the internal area responsible for the adoption of remedial measures. Regarding non-compliance related to marketing communication, no cases were registered. As for internal

product recalls, a process directed to the reanalysis of the items, for example, 49 were made related to food products – 35 of them private label – and four to non-food products (Alkaline battery, battery kit, garbage can, and multipurpose cloth). The substantial share of the private label in the recalls reflects the high quality control to which these products are subjected.

[GRI 417-2; 417-3; FB-FR-250a.2; FB-FR-270a.1; FB-FR-270a.2]

FRESH AND ORGANIC PRODUCTS

Offering fresh and healthy products is one of the purposes of the Act for Food. Faced with the challenge of maintaining a supply of fresh fruit, vegetables and greens in the stores, Carrefour establishes a very close relationship with the suppliers of these items, even supporting the development of some of them, in addition to encouraging sustainable production practices. One of the measures adopted in this regard is to maintain long-term contracts, a way to help them plan for necessary improvements in agricultural production practices. With others, joint planting has been arranged for exclusive supply output. Practices such as these enabled the Carrefour





Practices such as these enabled the Grupo Carrefour Brasil to achieve the following results by the end of 2020:

PARTNERSHIP with
291 LOCAL

fruit and vegetable producers, of which 35 provided some type of organic item.

35% OF SALES

of green produce in the fruit and vegetable sector come from local suppliers, comprising those located within a maximum radius of 500 kilometers from the stores. In Atacadão stores, these producers account for 9%, representing a brand that has a different shopper profile and where the absolute volume of purchases is higher than Carrefour's. [GRI 204-1]

+900 ITEMS

of organic products were available in the stores in 2020, which contributed to the sale of these products increasing over 50% in the period.

18% INCREASE

in organic sales in the year, above the growth in demand for fruits and vegetables, which was 8% in the period.

QUALITY AND FOOD SAFETY

[GRI 103-2; 103-3; 416-1]

The products available on the shelves of the stores undergo quality control analyses, to ensure the health of consumers. This process is carried out at Carrefour by a multidisciplinary Quality Control and Food Safety team. Consisting of approximately 100 employees (including third parties), they operate on the Perishables Platforms and in all stores throughout the country. Routines include:

- ▶ Monthly Food Safety audits in stores, carried out by a third-party company to check compliance with sanitary legislation.
- ▶ Weekly inspections and training of units, by a technician in charge
- ▶ Collection of samples of 15 products for microbiological analysis every four months in the hypermarkets.
- ▶ Microbiological analyses of 100% of the private label assortment, annually.
- ▶ Annual audit of 100% of the suppliers.

Another control methodology is the Food Traceability and Monitoring Program (RAMA), aimed at ensuring that the application of pesticides to fruits and vegetables does not exceed the levels permitted by law. Since joining the program in 2014, the Carrefour Food Safety area has collected samples from many suppliers throughout the country. In 2020, 100% of the private label items were screened, and adherence to the program for these products was made mandatory. In relation to the other items sold, the adherence of suppliers reached 100%. Thus, when considering the entire network supplier framework, 100% were part of the program in 2020. RAMA is structured by the Brazilian Association of Supermarkets (Abrás), State Associations and associated supermarkets, through a collaborative action process.

Quality controls in 2020

- ▶ 580 analyses of pesticide residues in fruits and vegetables in Carrefour and 90 in Atacadão.
- ▶ 693 laboratory analyses (microbiological and physicochemical) of Private Label products, covering 100% of the items.
- ▶ 9,493 microbiological analyses of perishable foods.
- ▶ 59,508 employees trained in programs that dealt with topics such as good food handling use thermometers and corrective actions, among others.

In Atacadão stores, there is a Food Safety area, with a nutritionist, in each store, who is responsible for monitoring the processes and training employees. Routines are aimed at safeguarding the goods from receipt – in order to ensure that they are in accordance with legal requirements – until the time of sale. Thus, the adequate product stock level is monitored, in order to preserve it, which, in the case of perishables, includes keeping them under refrigeration and with the correct exposure, so that the packaging is not violated.



CIRCULAR ECONOMY

[GRI 103-2; 103-3]

The Grupo Carrefour Brasil invests in a fundamental change in the paradigms of retail operating processes, combating waste and promoting the transition from the linear economy to a circular economy, through the reduction, reuse, recovery, regeneration, reabsorption and recycling of materials and energy. To achieve this purpose, it operates with a platform dedicated to three fronts: zero food wastage, packaging processing and waste management.



ZERO WASTAGE

[GRI 103-2; 103-3]

Carrefour is committed to more efficient practices, going beyond compliance with the Ministry of the Environment’s National Solid Waste Policy (PNRS). There is special attention to routines related to ecological packaging design and reduction of plastic items, whose proliferation is an important source of pollution in oceans and rivers.

Through the practices adopted, the goal is to reach Zero Landfill disposals by 2025, which means assuring the proper discarding of all packaging waste generated and the reduction of food waste by 50%, avoiding jettisoning in sanitary landfills. In addition, the packaging of 100% of Carrefour’s own branded products will be reusable, recyclable or biodegradable by 2025.

In addition to the concern about the supply of quality and affordable food, the Company invests in a structured program aimed at taking advantage of foods that have no commercial value but do retain preserved nutritional value. Thus, it reduces landfill waste dumping and helps families that are socially vulnerable. Toward this end, it adopts eight stages of progressive care in product management:



GOODBYE, LOSSES!

Since 2013, Atacadão has decreased merchandise losses in stores by 28%, that is, items that cannot be sold due to malfunctions or theft. In 2020, this category represented 0.63% of net sales, a reduction of 0.05% compared to 2019 (0.68%), the lowest rate ever. To make it work, teams are created in stores that proactively strive to achieve zero waste. These teams also conduct a variety of anti-waste routines, such as blitzes to check product validity dates. The units that achieve the best results are recognized, and outstanding employees are also honored.

1. **Care in product exhibition:** Gondolas developed to preserve foodstuffs pursuant to their particularities, preventing them from being crushed or deteriorating. In Atacadão, sales promoters are instructed to properly package the products so as not to generate losses in supply.
2. **Repackaging:** Products such as garlic and bananas, which can detach, respectively, from the head and the bunch, are regrouped and packaged for sale. In 2020, 4 tons of repackaged garlic were sold, 8% more than in 2019, and the sale of bulk bananas minimized fruit waste.
3. **Uniques:** Fruits and vegetables that do not meet the conventional aesthetic standards,  are sold at 20%-40% discount. Uniques comprise 13 types of vegetables and fruits. In 2020, 2,560 tons of them were sold, 38% more than in 2019 and eight times more than in 2018.
4. **Co-products:** French bread and baguettes no longer in condition to be sold are processed into breadcrumbs, toast and bread meal. In 2020, the sale of French bread toast rose 19% compared to 2019. Thus, 25.9 tons of food that would have been discarded were transformed into co-products.

5. **Lower Price Program:** Products from the fish, sausage, butcher's, bakery and cafeteria sectors close to the expiration date are sold at 50% discounts.
6. **Partnership Food Program:** Since 2009, food and non-food products with no commercial value, but suitable for consumption, are donated to 46 partners, including food banks, local institutions and Sesc Mesa Brasil. Based on Carrefour's donations, these entities redistributed more than 1,097 tons from 211 stores. In Atacadão, the "Food donation program" dates from 2001, the year of the inauguration of Mesa Brasil in São Paulo. In 2020, 2,093 tons of food were donated, also through 17 partners, to more than 2,000 institutions served, reaching more than 300,000 people.
7. **Animal feed and grease producers:** Foodstuffs unfit for human consumption are intended for animal consumption, and the by-products of the butcher's shop (tallow and bone), go to grease factories. In 2020, the amount of this reuse was 1,191 tons.
8. **Composting:** In 2020, nine tons of food not reused in any of the previous stages was sent for composting, resulting in nutrient-rich plant fertilizer.



HIGHLIGHT: TERRA VEGETAL

Aligned with the zero-waste policy and landfill reduction initiatives, Carrefour launched the "Terra Vegetal" (Topsoil) project in the first half of 2020. The product, marketed by the Proprietary Brand, is generated from the composting of waste – fruits, vegetables, vegetables, eggs, fish leftovers and bakery – deriving from 48 Carrefour units in the state of São Paulo. In the year, 30,740 5 kg bags were sold, representing more than 153 tons of the product. The goal is to allocate between 350 and 400 tons of monthly waste from the Carrefour network to composting, resulting in 80,000 units of topsoil.



CYBERCOOK

To avoid waste and make the most of the food you have at home, Carrefour CyberCook’s recipe platform offers the “Enjoy the leftovers” button, where you can find new recipes based on leftovers. Learn more [here](#).

Reverse logistics. The Grupo Carrefour Brasil also acts as a facilitator so that the consumer can knowingly dispose of waste or post-consumer products. Within the stores, the Company assigns space to packaging recycling stations and voluntary delivery points (PEVs). Through the Pequeno Grande Passo (Small Big Step) program, for example, the Group provides collection points for reverse logistics of batteries, lamps, printer cartridges, electronics, cooking oil, medicines and coffee capsules. In 2020, more than 70 tons of waste were collected at Atacadão and Carrefour stations.

Carrefour

- ▶ **Reverse logistics stations:** 114
- ▶ **Batteries:** 136 collectors - 6.5 tons collected – partnership with Green Eletron
- ▶ **Lamps:** 68 collectors – 15 tons collected, more than 102,000 units – partnership with Reciclus
- ▶ **Cartridges:** 59 collectors – 3.8 tons collected, more than 11,000 units – partnership with HP
- ▶ **Vegetable oil:** 48 collectors - more than 27,000 liters of oil (store + customers) - 32% higher volume than in 2019 - partnership with Cargill
- ▶ **Electronics:** 21 collectors (19 in 2020 only) - 3 tons collected – partnership with ABREE and Green Eletron
- ▶ **Coffee Capsules:** 20,457 units recovered in 12 collectors – partnership with 3 Hearts

ATACADÃO

- ▶ **Light bulbs:** in the 206 stores with collectors, 14 tons of material were collected, equivalent to more than 91,300 units
- ▶ **Batteries:** 3 tons collected



Correct allocation of PPES used to combat the coronavirus

In October 2020, Carrefour adopted an unprecedented retail initiative by offering a correct disposal alternative to personal protective equipment (PPE), such as masks, gloves and other items, used to combat coronavirus. In the pilot project, carried out in six stores in the capital of São Paulo, collection takes place in cardboard barrels installed in front of the establishments. Waste management is in partnership with a specialized company, in compliance with environmental and health legislation standards.

WASTE MANAGEMENT

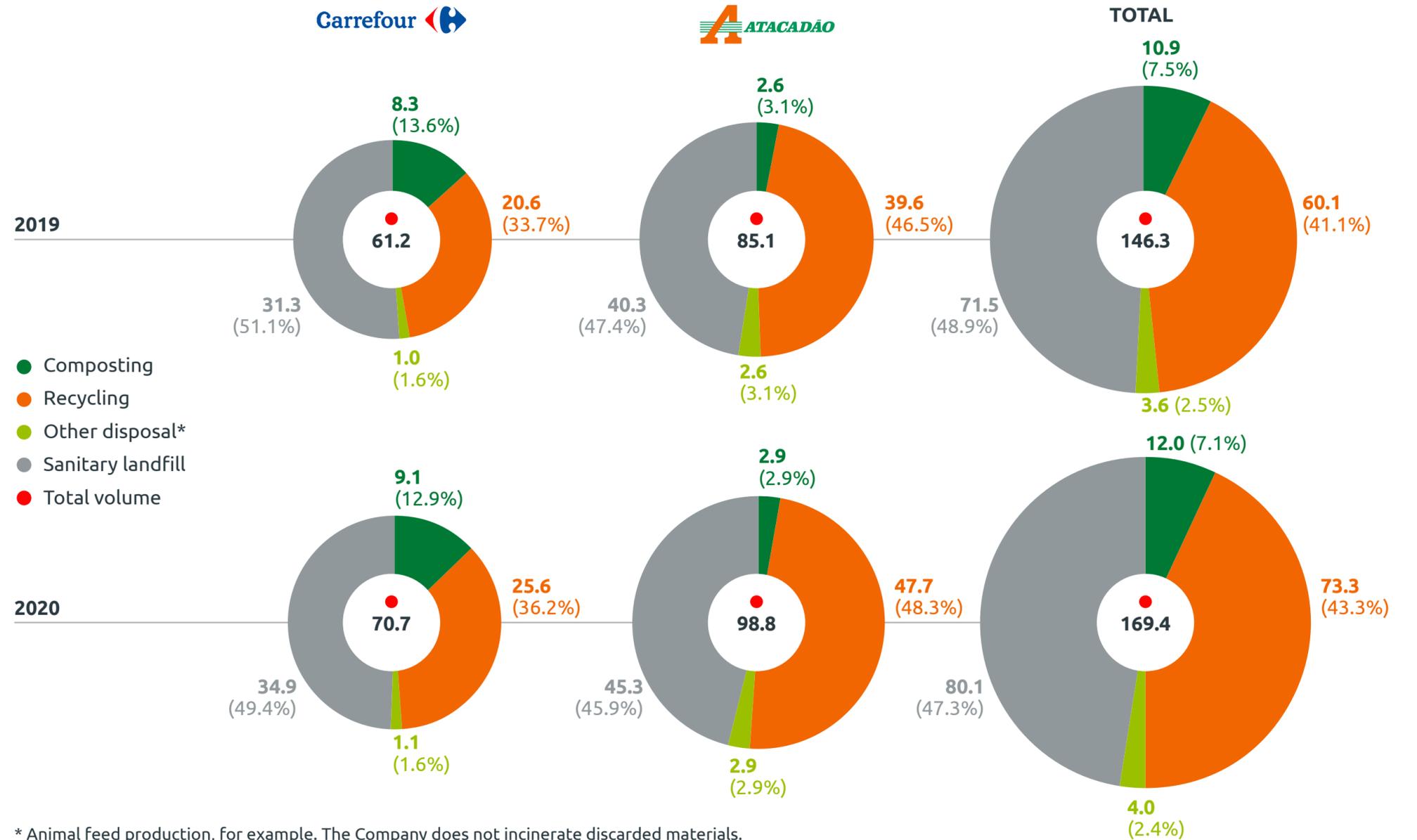
[GRI 301-3; FB-FR-430a.4]

In 2020, with the expansion of the number of Carrefour and Atacadão brands, about 170,000 tons of organic and recyclable waste was generated in the operations, an increase of 16% compared to 2019. Although the variation was up, there was significant growth, of more than 21%, in the total of materials that went on to recycling, and 10% of organic waste sent for composting, which reinforces the progress of the initiatives adopted towards the goal of Zero Landfill by 2025, both at Atacadão and Carrefour, for this purpose.

WASTE DISPOSAL

By disposal type and method

[GRI 306-5]



To adequately dispose of waste from operations and packaging or post-consumption products, the Group prioritizes the recycling of the materials, so that they can be incorporated into the production cycle again. It also develops a series of awareness actions for employees and consumers in stores.

Internal actions. Employees are trained to separate recyclable materials, divided by categories and subsequently sold. In addition to environmental gains, this management reduces the costs of dump truck trips and landfill fees and ends up becoming a source of income for establishments. The topic is verified monthly through indicators and targets in each store. In Atacadão, reverse logistics of plastic film cardboard tubes was initiated with the suppliers themselves. The action ensures revenues for the stores, savings for the suppliers and reduced consumption of the virgin raw material.

The Group prioritizes the recycling of the materials, so that they can be incorporated into the production cycle again.



PACKAGING MANAGEMENT AND TRANSFORMATION

As a signatory of the Global Commitment of the Ellen MacArthur Foundation, an entity that works with companies, governments, and academia to build an economy that is regenerative and restorative, Carrefour commits to redesign of 100% of its private-label packaging by 2025, making it recyclable, reusable, or compost-friendly.

To make progress, Carrefour set up an internal and multidisciplinary committee in 2018, supported by a specialized consulting firm. Among the main measures already adopted is the reduction in the use of plastics in the perishable sectors of stores (FLV, bakeries, sausage and coffee shop, etc.), and also in the packaging of private label products. Due to these actions, in 2020, 11 million plastic packages were not produced, the equivalent to 67 tons.

In 2020, 40% (421 items) of PGC's own brand active products (consumer products) contained packaging with 100% recyclable or compostable materials, 36% (382 items) with partially recyclable packaging, wherein one or more components do not fit within Brazil's recycling chain.



Advances in 2020 in packaging use

104 Private Label products – 35% of new items -- launched within the global packaging commitment, made of 100% recyclable or compostable packaging.

421 products in the PGC Own Brand assortment with 100% recyclable packaging.

The packaging of **26** products was transformed to 100% recyclable, compostable or reusable materials.

No longer used:

+67 tons of replaced packaging or avoided plastics

11 million plastic packages

56 tons of Styrofoam trays or 10 million trays

695,000 straws

380,000 plastic stirrers

333,304 plastic trays (PET) for eggs

ECO-EFFICIENCY: OPERATIONAL MANAGEMENT

[GRI 103-2; 103-3]

To minimize the impact of its operations, the Grupo Carrefour Brasil reconciles actions directed to the supply chain and after-sales initiatives with measures adopted in its stores, optimizing and reducing the consumption of natural resources, such as water and energy. There are 721 addresses nationwide, including the Atacadão units and the different Carrefour formats, in addition to pharmacies and gas stations.

These measures made it possible to post reductions in energy and water consumption in the year. Another front being worked on is the replacement in the stores of refrigeration and freezing equipment that use gases that are harmful to the environment, such as HFCs, for other, less polluting ones, a project that has been under development at Carrefour since 2015. In the new units, such as the two supermarkets and ten convenience stores opened in 2020, the operation already is underway, with equipment powered by the environmentally friendly propane R290 fluid gas. Since 2017, the practice has also been instituted in the oldest Atacadão stores. In 2020, it replaced more polluting gases with CO₂ in refrigeration equipment in 21 stores.

ENERGY

Energy consumption in the Grupo Carrefour Brasil in 2020 totaled 1,013,056,447 KWh, a decrease of approximately 0.5%, even in the face of the higher number of stores compared to the previous year. The reduction reflects the results obtained with projects adopted and good practices, such as the use of more efficient equipment and consumption management, monitored in real-time, in addition to awareness-raising actions in the units. [GRI 302-4]

In Carrefour, for example, 100% of the hypermarkets exclusively use LED lamps, while 60% of supermarket addresses apply this alternative. Another measure in which Carrefour has advanced to lower energy consumption is painting roofs with reflective ceramic paints. In 2020, the pilot project for this solution involved three units in Rio de Janeiro and Pernambuco.

Rationalizing energy consumption is also a daily practice for Atacadão, which includes painting the roofs of stores with antithermal reflective paints, the adoption of LED lighting in stores and buildings with glass on the façade, which favor the use of natural light. Of the total stores, 80 already have energy acquired in the unregulated electricity market, and another 50 will migrate to this format as of February 2021, a process that should extend until December 2022.

Both Carrefour and Atacadão use Web Energy as an electrical power management system. The solution consists of a platform specialized in data storage, which helps to monitor consumption in operations.

Energy Consumption

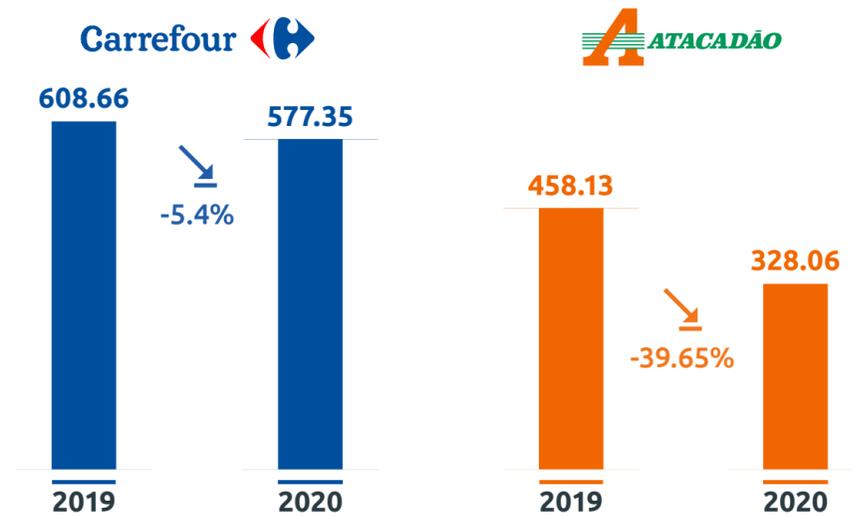
[GRI 302-1]

In KWh	2020	2019
Atacadão	552,675,000	536,173,491
Carrefour Hypermarkets	387,654,938	408,465,717
Carrefour Supermarkets	50,353,175	51,221,652
Carrefour Convenience Stores	22,373,334	21,719,850

Energy Intensity

[GRI 302-3]

The success of the initiatives is confirmed by verifying the energy intensity, an indicator calculated based on the division of total consumption by the sales area. Both in Carrefour and Atacadão – which continued its strategy of opening new stores – the indicator decreased in the comparison of the periods.

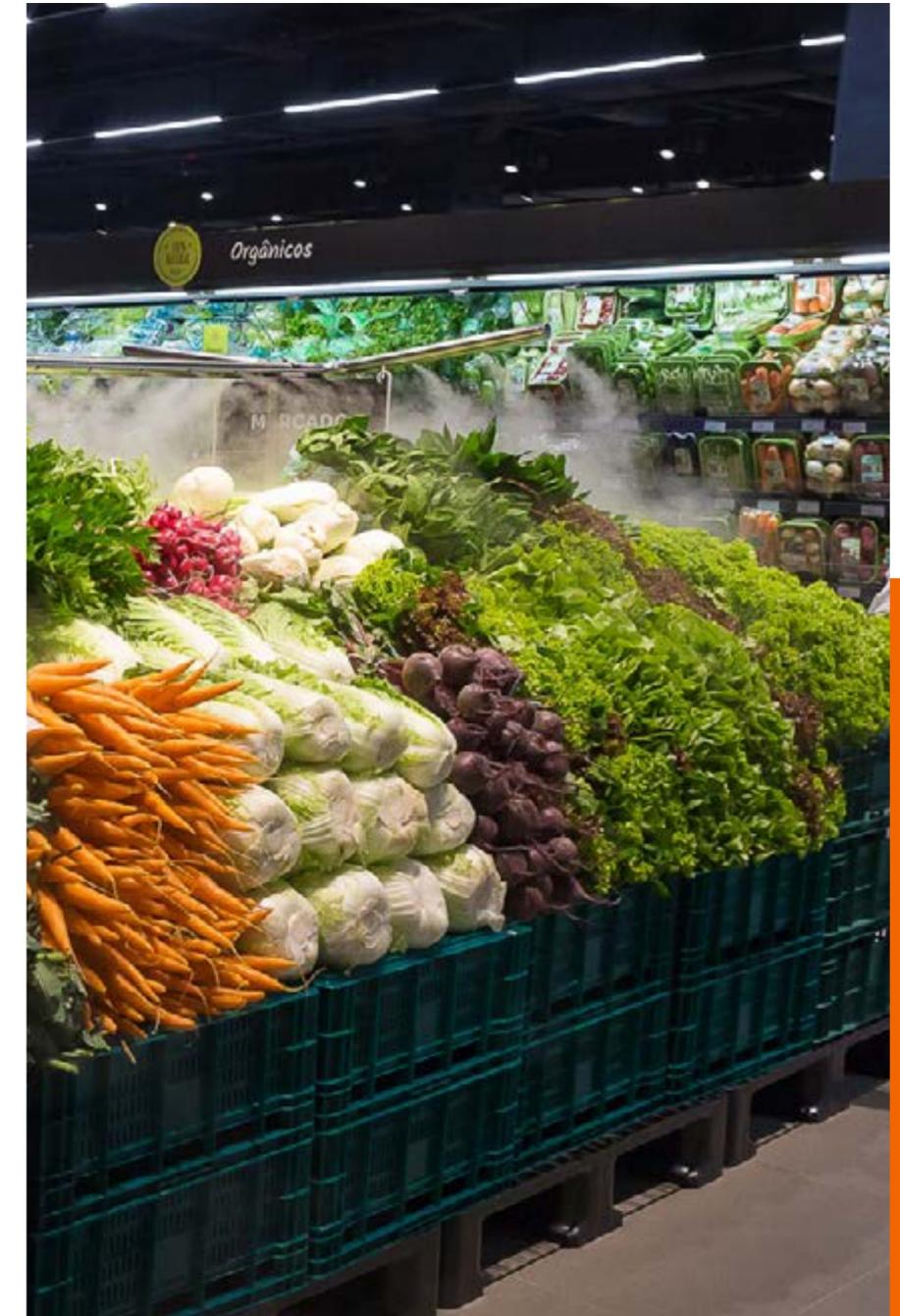


WATER

The water consumption of the Grupo Carrefour Brasil in 2020 totaled 3,523,665 m³, down 2.8% compared to 2019. In Atacadão, there was a 5.7% increase between the two periods, reflecting the greater demand for the input, reflecting the inauguration of 22 stores. Opening units is also what explains the higher consumption in Carrefour’s supermarkets and convenience stores. However, rational usage actions contributed both to the control of expenditures and to the savings seen in the hypermarkets. An example is the adoption, in Atacadão stores, of micro jet aerators (spray type) in water taps. For hand-washing, this device leads to savings of 60%-80%, and for cleaning utensils, a reduction of 50%. Flow reducers have also been installed in showers and flush valves.

Water Consumption

In m ³	2020	2019
Atacadão*	2 202,684	2,084,412
Carrefour Hypermarkets	1,169,182	1,393,249
Carrefour Supermarkets	135,138	133,470
Carrefour Convenience Stores	16,661	14,962



CLIMATE CHANGE

[GRI 103-2; 103-3]

Minimizing the impact of its operations on climate change is one of the commitments of the Grupo Carrefour Brasil. To better manage this issue, in 2020, the Company incorporated the practice of preparing annual greenhouse gas (GHG) emission inventories. With this, it will be possible to monitor the evolution of actions related to this topic and act more assertively to reduce the impact of its operations on the environment.

The actions on this front have clear targets: To reduce by 30%, by 2030, and 55%, ten years later, the emissions of Scopes 1 and 2, which refer, respectively, to those arising from work routines and the use of electricity. For Scope 3, which brings together indirect emissions, the goal is to reduce emissions by 30% by 2030. All of the targets, which are global, consider 2019 data as the benchmark.

In this first year of measurements, there was a 19% increase in Scope 1 emissions compared to 2019, mainly due to the increase in fugitive sources, associated with the replacement of refrigerant gases, an increase that accompanied the expansion of the number of stores between the two periods. In Scope 2, which measures emissions related to electricity consumption, there was a

15% decrease in the comparison between the two years, which reflects the increase in the use of renewable energy sources. In Scope 3, the variation was 5%, reflecting the increase in emissions caused by the displacement of employees, a group that saw an increase of about 7,000 new professionals over the period. As this is an essential activity, the operation of the stores was maintained in the period. [GRI 305-5]

Atacadão and Carrefour account for the largest volume of emissions in the Group, with 49.8% and 49.9%, respectively. Banco Carrefour participates with 0.3% of the total.

Inventory of greenhouse gas (GHG) emissions

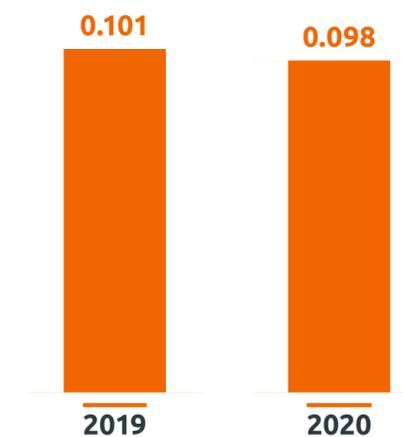
[GRI 305-1; 305-2; 305-3]

In tCO ₂ e	2020	2019
Scope 1	78,163.59	65,592.69
Scope 2	65,937.05	77,695.52
Scope 3	62,499.55	59,545.89

Intensity of GHG emissions

[GRI 305-4]

The emission intensity indicator – calculated from the total emissions in each of the years, divided by the sales area – remained practically stable between the two periods, with a slight decrease in 2020 of 0.003 percentage point. The result demonstrates, in addition to the lower volume of Scope 2 emissions, that initiatives to minimize emissions have been effective, with them rising at a lower pace than the sales area, where the increase was 5.1% in 2020.



Carbon Free

In line with efforts to minimize impacts on climate change, the action initiated the previous year to neutralize CO₂ emissions from the logistics network serving Carrefour stores continued in 2020. Among the initiatives adopted, the Company established a partnership with GreenFarm, a firm dedicated to environmental preservation, to develop an ecosystem project to offset emissions. It includes planting trees to neutralize the release of greenhouse gases from merchandise trucking operations. Carrefour will use an area of 232,700 m² located in Mato Grosso do Sul (MS), where there is the convergence of three biomes: Cerrado, Pantanal and Atlantic Forest.

In parallel, it has been adopting other measures, such as the transition of the transportation energy matrix and logistics processes, to minimize the impact of transportation on the environment. The various actions adopted resulted in a 19% drop in total CO₂ emissions in the year. The actions aim to contribute to achieving the goal of neutralizing, by 2025, 100% of CO₂ emissions from its logistics network, which is outsourced.

- ▶ **Coastal shipping.** Replacement of road by water transport on the route São Paulo to Manaus (76,000 km less, representing 33% on top of the reduced km).

- ▶ **Gas-powered vehicles.** Introduction of two gas-powered vehicles into the operation, reducing CO₂ emissions by about 18,000 kg.
- ▶ **Changing the vehicle profile.** To supply the Pamplona store, in the São Paulo capital, five large-sized vehicles and one small-sized vehicle are now being used, instead of nine small vehicles and one large one. Larger vehicle sizes resulted in fewer trips, reducing emissions by 3%.
- ▶ **Rodotrem.** Adoption of a new vehicle model for transporting products between São Paulo and Pernambuco, through which it is possible to dispatch more volumes on each trip, removing trucks from highways.
- ▶ **New processes.** Direct shipment of products between the distribution centers of the states of Pernambuco, Rio Grande do Sul and Minas Gerais, in addition to the Federal District, and stowed cargo for shipments between distribution centers, allowing the increase of volumes transported.
- ▶ **CO₂ Compensation.** 100% neutralization of about 2 tons of CO₂ emitted with the transportation of perishables in the state of São Paulo by CooperCarga, which provides services to Carrefour. The compensation was made

in partnership with GreenFarm, whose activities are dedicated to environmental preservation.

- ▶ **DROP operation model.** While one vehicle is in transit or making deliveries to one of the Express or Market stores, another stays at the Distribution Center to be loaded, a model that leads to a reduction in the number of vehicles in the fleet.





3

People, Diversity and Inclusion

Group Diversity Profile

Representativeness Map

Follow-up and Development

Training and Recognition

Commitment to Social Minorities

Anti-racist struggle

Gender issues

LGBTI+ Visibility

Inclusion for People
with Disabilities

IMPACTS AND RESULTS PRESENTED IN THIS CHAPTER COVER THE FOLLOWING CAPITAL:



Organization,
Management and
Compliance

Safety,
Health and
the Environment

**People,
Diversity
and Inclusion**

Society,
Relationship,
and Innovation

Organizational
and Financial
Performance

[GRI 102-8]

Grupo Carrefour Brasil's management is focused on people. It is through coordinated actions of individual and collective development of employees that the Company seeks to grow, evolving as an organization and consolidating its businesses nationwide. As a signatory to the Global Compact, the Group adopts corporate sustainability initiatives proposed by the UN in order to create an ecosystem that permanently

combats social inequalities and injustices. For its employees, it also seeks to become a reference institution for accelerating their personal and professional potential.

Dedicated to the Grupo Carrefour Brasil's inclusion culture, this third chapter of the Annual Sustainability Report contextualizes the Company's principles, commitments, and actions towards its community of employees

and society, more broadly. The first part of the text presents the Company's social overview, as well as the worker support structure and monitoring accesses. The second part focuses on the Group's affirmative engagement in favor of the inclusion of minority groups. It shares actions and also learning in the fight against racial, gender, sexual and disability discrimination.

FOCUSED ON PEOPLE

IT IS THROUGH COORDINATED ACTIONS OF INDIVIDUAL AND COLLECTIVE DEVELOPMENT OF EMPLOYEES THAT THE COMPANY SEEKS TO GROW



For the Human Resources area, 2020 was a very challenging year. No one could have imagined we would go through a pandemic. We are more than 95,000 people, of all ethnicities and backgrounds, and our main concern was to ensure everyone's safety. We made rapid changes and pioneered a series of in-store measures to protect our employees and customers, such as temperature measurement, acrylic barriers, floor markings and many others, creating awareness that a range of care measures needed to be undertaken. Certainly, we are influencers, through these practices, of a segment of society.

It was beautiful to see how quickly the Organization mobilized to embrace new ways of working and the efforts of our people to be open to new ways of doing things. We quickly changed the environments, creating conditions for people to work remotely. We also started to act in a more integrated, more multifunctional manner, a model that allows decisions to be made more quickly.

At the end of the year, there was an unfortunate and reprehensible episode that occurred, on November 19, 2020,

in one of the stores in Porto Alegre. Therefore, we understand that we must fortify our practices. For the Human Resources area, and for me personally, it has been a significant learning curve. We have a long history of diversity and inclusion programs, and one of the things we have learned is that we must go beyond what we have been doing and that there is room to further contribute to diversity and the fight against structural racism in society. We can influence society by working more strongly on diversity and inclusion issues to accelerate the change society needs.

We are an anti-racist company and have the ability to further strengthen the fight against racism. For me, taking an active stance against this issue was a personal learning experience, and this is the role Carrefour has also taken publicly and that has been developed with the advice of an independent committee. I am proud to belong to an organization that embraces these commitments, that learns from events and that is determined to play its social role in the country.

CRISTIANE LACERDA,
Director of Culture and HR Development

GROUP DIVERSITY PROFILE

REPRESENTATIVITY MAP

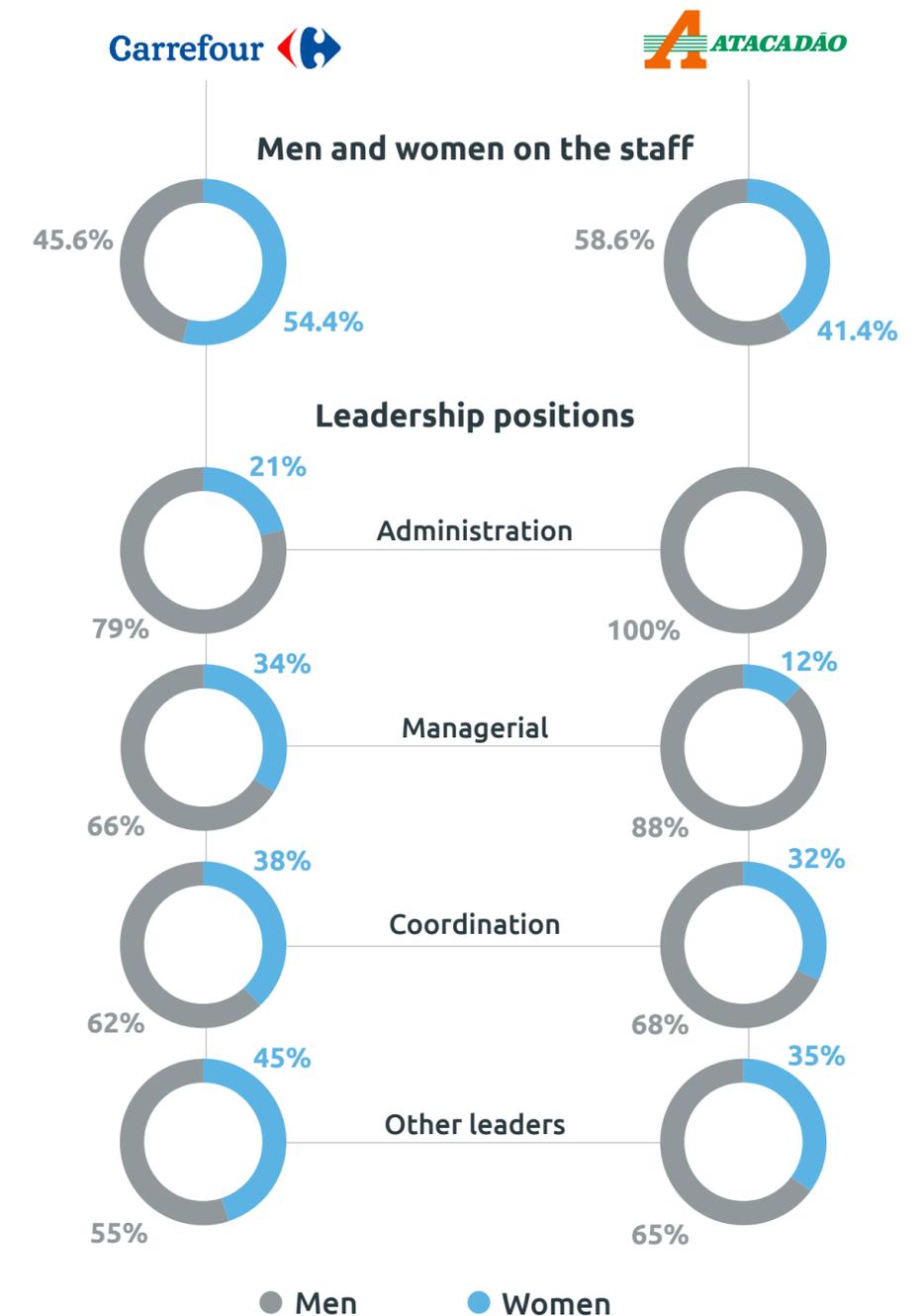
PROFILE OF THE WORKERS

At the end of 2020, the Grupo Carrefour Brasil community consisted of 95,667 employees, of which 7,000 were new hires over the previous year's total. Of this, 56% of the teams worked at Atacadão and 44% were in Carrefour's facilities. In the 721 units throughout Brazil, the Group favors the creation and consolidation of diverse social dynamics, combining individual and corporate ambitions. In addition, aware of historical social inequalities and stigmas, it invests in the inclusion of minorities.

Women are in the majority at Carrefour, accounting for 54,5% of the workforce. They also occupy an important portion of leadership positions in the Group: 54 in the Company's management, 22% of the Brazilian team. In managerial and coordination positions, one-third are held by women, equivalent to 34% and 38%, respectively. Finally, they are in 1,644 other internal leadership jobs (45%). **[GRI 405-1]**

In Atacadão, they represent 41% of the staff, occupying an important share in the coordination positions (32%). Women occupy 908 in the other leadership positions, 35% of the total. From 2019 to 2020, the map of gender representativeness was relatively stable in the Company, with a slight progression in the number of women compared to men among Carrefour's key positions.

GENDER MAP [GRI 405-1]

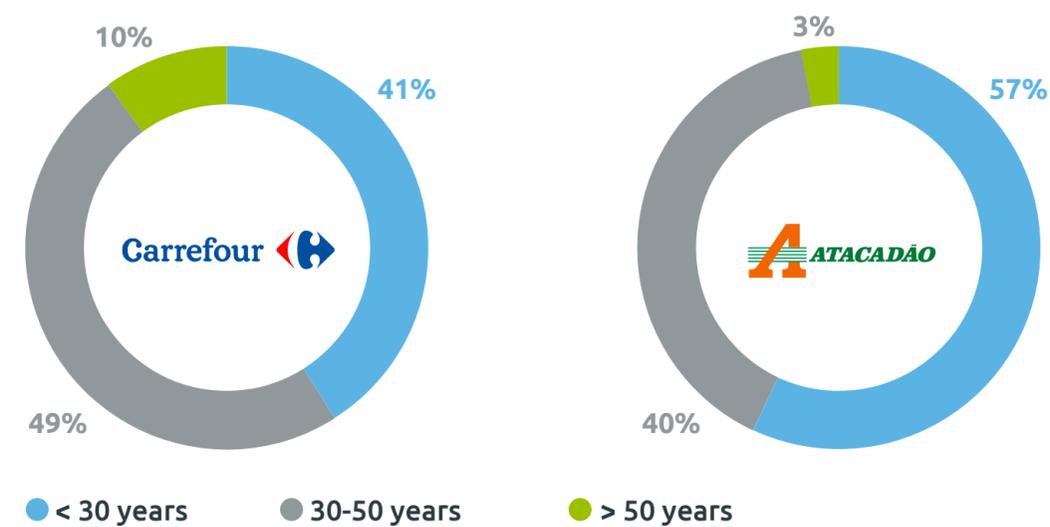


Regarding age, the majority of workers are under 30 years old, representing 57% of all employees in Atacadão, and 41% in Carrefour. These results reveal, among others, positive returns from the Group's entry programs that give a first, solid professional opportunity to young Brazilians.

In 2020, Carrefour had 125 trainees working in various functions at the Headquarters, Bank and Hypermarkets. The Apprentice Carrefour program included 1,434 young people between 14 and 17 years of age. Professionals between 30 and 50 years old also occupy an important part of the teams, 40% and 49%, respectively. With regard to people over 50, Carrefour's units in Brazil employ 4,374 professionals in this bracket, the equivalent to 10% of the brand's total staff.

AGE PROFILE

[GRI 405-1]



BENEFITS AND COMPENSATION

COMPENSATION

[GRI 202-1; 405-2]

The Grupo Carrefour Brasil focuses on performance, based on the principles of a transparent and humanized meritocratic culture. Thus, the remuneration policy adopted by the Group is based on monitoring the evolution and desires of its work staff. All units in Brazil respect the local minimum wage and the regulatory wage floors. The highest salary variations internally are justified by the levels of seniority and professional maturity verified in the staff.

At Carrefour, the wage variation between women and men who occupy leadership positions is well below national levels. In managerial and coordination roles, women earn 3% less than men. In the other internal functions, the average variation is less than 9%. The Grupo Carrefour Brasil recognizes the efforts made by the teams to rebalance these historical disparities and remains committed to seeking greater equality and social inclusion.

PARENTAL LEAVE

[GRI 401-3]

All Carrefour employees are entitled to extended 20-day parental leave, in line with the fact that the Grupo Carrefour Brasil has joined the Citizen Company government program aimed at offering a higher quality of life to fathers and mothers through longer periods of leave. In 2020, a total of 3,115 employees obtained the benefit, of which 60% were women and 40% were men. In Atacadão, the number of paternity leaves even exceeded those of maternity leaves. There were 900 among men and 845 among women. For the Grupo Carrefour Brasil, the analysis of this data is essential. The factor has a direct impact on the professional situation of women, contributing to their continuing to have an active life after maternity.

In addition to the legal requirement, Carrefour employees who work in offices now have the possibility of making their work routines more flexible, such as alternating between in-person and distance working hours. Also, spaces dedicated to breastfeeding are available in the Headquarters Medical Outpatient Clinics. The Grupo Carrefour Brasil constantly seeks to improve these options, aiming to retain our professionals and improve their quality of life.

Regarding the turnover rates, the company evaluates specific employee retention data after Parental Leave. In 2020, the Group found that 87% of workers – men and women – who had this right, returned to work after the leave period and remained in the company for at least another 12 months. Among women, of the 995 new mothers, 898 remained in their positions one year after leave.

TRADE UNION RELATIONS

[GRI 407-1]

The organizational positioning of the Grupo Carrefour Brasil is based on dialogue and respect for collective bargaining. Toward this end, the Company constantly seeks to nurture an open and balanced relationship with the trade union entities that represent its workers. Due to the COVID-19 pandemic and the social distancing engendered, in 2020 these activities were very limited. The unions themselves did not seek Carrefour and Atacadão for new associations. At Carrefour, 3.85% of employees are associated with 14 national and state unions, principally. In Atacadão, the proportion is 2.73%, mostly enrolled in three entities in Pernambuco, São Paulo and Rio de Janeiro. [GRI 102-41]

TALENT ATTRACTION AND RETENTION

The Grupo Carrefour Brasil strives to engage employees in purposeful professional practices, sharing its mission and values. For 45 years, this unique identity has been strengthened thanks, notably, to an organizational culture of preservation and attraction of talent. For this, the company is constantly attentive to employee flows and turnover, important indicators for the evaluation and improvement of internal conditions for career development.



New hires. In 2020, the Group made 42,626 new hires, 7,000 of them for new positions. In Wholesale, the proportional variation was 16% higher than in 2019, mainly due to new store openings. Of these new recruitments, 68% were from a younger bracket: under the age of 30. At Carrefour, 2020 ended with a positive balance of 11.6% over the previous year. The highest proportion of hires also was among the youngest bracket, under 30 years of age: 10,516 new workers (59.3%). [GRI 401-1]

Turnover rate. Atacadão and Carrefour recorded a decrease in the turnover rate, calculated from the total of terminations, divided by the average of active staff members in the year. In Atacadão, there was a reduction of 5% compared to the previous year. Regarding the age group of workers who left the Company in 2020, the largest movement was again among those under 30. At Carrefour, they accounted for 50% of total terminations.



MONITORING AND DEVELOPMENT

PEOPLE CYCLE

To make the talent identification process more democratic and inclusive, Carrefour runs the People Cycle every year. The evaluation and monitoring program maps the performance and potential of Carrefour employees at all levels of the organization through 360- and 180-degree evaluation models. As an eligibility criterion, an employee must have worked at least three months in the year evaluated. In addition, a recommended curve is adopted, in which 35% of the evaluated employees can be considered as talents.

Some 7,900 employees were evaluated in the year, and all the leaders were analyzed individually by more than 100 career committees. Among them, 33% held leadership positions and 67% were in other positions. This year, the topic, which is managed by the Human Resources Department, experienced two major restructuring moments, one conceptual and the other structural.



4 Act For Change commitments. Last year, Brazil’s teams sought to align the People Cycle with the Act For Change, the Group’s global strategy. Implemented in 2019, the international program strives to delegate to employees the leading role of the Company’s transformation. To this end, it encourages the reconfiguration of the corporate structure, making it even simpler, more open and more collaborative. Four commitments guide these actions.

Cross-sectional assessment. The second transformation adopted in 2020 was aimed at the complexity of the program, in two evaluation stages. The “Performance Stage” is the first, focusing on assessing skills, deliverables and targets. For this, the nine Performance box methodology was adopted, composed of the skills listed on a vertical axis and the results of deliveries on the horizontal axis. The second stage – “Career and Succession” – is focused on potential and successors within the Organization. At the end of this process, each employee received feedback to enable them to build their next professional challenges.

CULTURE ASSESSMENT

[GRI 404-3]

At Atacadão, the annual evaluation and monitoring process is based on the delivery of results and adherence to the Company's behaviors. Thus, a meritocratic approach is adopted, equally assessing all employees who have managerial, coordination, supervision and store leadership functions. Named "Culture Evaluation," it covered 3,730 such leaders over the year.

The process is structured on two central objectives: aligning the company's goals with the results of the units and mapping potential leaders. Through this system, the leader makes his/her own self-assessment, including issues related to organizational behavior. The answers are sent to the area supervisor, who also evaluates the leader, a step complemented with feedback, which seeks to contribute to the internal development of the professional.



ENGAGEMENT SURVEY

Bi-annually, Carrefour's internal survey aims to measure employees' perception of the workplace environment, processes, leadership, and other aspects related to daily work. The survey is conducted online and through forms sent out to the stores. Based on the results obtained, the company is committed to reorienting action plans to contribute to employee development and well-being.

The latest edition, conducted in 2019, presented an employee favorability index of 72%, 5% more than in the previous survey. Among the priority themes are: the promotion of diversity and inclusion, the identification with the purpose of the Company, the focus on the customer and the understanding of their needs, responsible social and environmental performance and respectful treatment from the leaders. The survey also indicated opportunities for improvement on issues such as agility, feedback, procedures and development.

TRAINING AND RECOGNITION

[GRI 404-3]

The Grupo Carrefour Brasil constantly reviews the governance of its corporate education with the objective of bringing employees training that increasingly is aligned with the needs of the market, enhancing individual expertise and the collective synergy. In 2020, due to the coronavirus pandemic, training had to be restructured, many of them transposed into online distance learning (ODL) formulas. Thanks to a great group effort, the programs could be maintained, with successful results and adherence on the part of the workforce.

Throughout the year, 51,302⁹ Carrefour employees were enrolled in 361,829 hours of training programs. At Atacadão, 62,7707 workers were occupied in 612,221 training hours. Employees with distinctive horizons and professional maturities signed up for a broad portfolio of different training qualification levels, from technical and management skills to cross-cutting issues that go beyond corporate life: health and safety, the environment, human rights and diversity, among others.

⁹ Totals cover the number of participants per training. An employee may have participated in more than one training.

ENTRY LEVEL AND IMPROVEMENT PROGRAMS

Carrefour Apprentice. A partnership with Senac, Centro de Integração Empresa Escola (CIEE) and Rede Cidadã, the program is geared for the hiring of young people between 14 and 17 years of age for a specific period of time. In 2020, Carrefour took on 1,434 young people, who participate throughout the year in theoretical training activities offered by partners. In addition, they were trained in practical activities in our different areas and internal business fronts. Thanks to a corporate rotation process, young people acquire varied experiences, enhancing their professional development.

Apprenticeship Program. In 2020, Atacadão welcomed 1,024 young people between 14 and 21 years of age into this program. Held in partnership with Senac, it works on both practical-technical and interpersonal topics: communication and discourse, customer service, emotional balance, self-knowledge, etc.

Technical Schools. Carrefour offers a theoretical and practical training program for store employees. In 2020, 20,471 employees were trained by these schools, 30% more than in the previous year. The program encompasses seven training fronts: non-food items, loss processes,

central cashier, perishable goods handling, financial services, store organization and continuous improvement center, the latter three introduced in 2020.

	2020	2019
Hours of training	220,246	271,577
Trained Employees	20,471	15,390
Training stores implemented	16	16
Training stores being implemented	2	1
Number of specialist trainers	80	50+

In addition, in 2020 there was specific training for the instructors at the Technical Schools. In four meetings, more than 100 professionals were introduced to the LMS (Learning Management System) platform and were oriented to prepare content for in-person and ODL formats.

Interns. In 2020, Atacadão received 27 interns and Carrefour 125, allocated to various functions throughout the Group – Headquarters, bank and hypermarkets. For 2021, Atacadão will provide more than 200 internship vacancies for stores open until 2020, which will represent, on average, one employee per store.

MANAGEMENT AND LEADERSHIP PROGRAMS

Continuing Education Program (CEP). Linked to the evolution of organizational behavior, the PEC seeks to contribute to the growth of corporate leaders, by updating processes and procedures. In 2020, 331 Atacadão employees participated in this agenda.

PEC - Store leadership. Training aimed at store sector leaders involves two hours a week and addresses such topics as: people and time management, technical and behavioral skills, written and verbal communication and strategy management.

Leadership Development Program (LDP). To accelerate the learning process of store leaders, Atacadão organizes three days of training based on a program that encompasses case studies and other customized content. In the last year, 331 employees participated in the LDP, accounting for 4,216 hours of training.

Leadership Programs. Carrefour offered 21,000 hours of training for internal leaders in 2020. In total, an audience of 2,096 middle-management employees, unit coordinators and corporate managers were reached.

Management Development Programs (MDP). In 2020, 140 employees participated in training by the Atacadão Human Resources area to upgrade managers' understanding of the business. The programs address aspects related to professional performance and the ability to develop people. The initiative has two modules, with different approaches according to the target audience: operational and administrative supervisors (60h) and regional and commercial managers (100h).

Customer MDP. Atacadão uses the PDG Customer management development program, which addresses issues related to service and relationship management, among others. In a 20-hour workload, 103 business managers, administrative and operational supervisors were trained in 2020.

Leadership Academy. In addition to operational training, Atacadão is concerned with fostering awareness of its staff about other behavioral topics. The goal is to stimulate the development of self-knowledge skills, emotional intelligence, communication and teamwork, among others. In 2020, 1,650 employees joined the program.

Trainee Program. Every year, Atacadão organizes a five-week theoretical instruction course for two classes. In 2020, one was in-person, at the Headquarters, and the other was held online. After the trainee period, graduates are called to occupy leadership positions in the country's units for a period of up to 18 months. All employees who meet the selection criteria can participate in the selection processes. In 2020, the company graduated 239 employees.

Carrefour University. Created in partnership with renowned business schools and universities in Brazil and abroad, such as Fundação Dom Cabral, Insper and Hyper Island, it aims to develop key skills in three basic areas: leadership, business and innovation. The program averages from 12 to 18 months, totaling more than 2,000 training hours. In 2020, 124 directors participated in the "Digital Acceleration" action, carried out in partnership with the StartSE business school. Due to the Covid-19 pandemic, the other modules needed to be reviewed and will resume as soon as the sanitary situation permits.



Alex Lante, Commercial
Manager of Atacadão
de Marília/SP

More than a client, our client!

After attending PDG Client training, I returned to the store with many ideas, committed to understanding even better the needs of our clients. After several conversations, I identified possible improvements in product offerings and layout. I also suggested mobilizing Atacadão card teams and cashiers to promote quick surveys with the end client. The proposals were analyzed and implemented, and the return was extraordinary, with sales growing exponentially and complaints decreasing considerably! Since then, I have always sought to improve the way I work to satisfy our existing clients and welcome new customers.

ONLINE TRAINING PLATFORMS

LMS (Learning Management System) platform.

Launched by Carrefour in May, it earned 350,000 hits in 2020. With a reach of 7,000 employees, the platform encompasses webinar events combined with skills, wellness and business development initiatives. In addition, other sports and recreational activities were involved, such as yoga sessions, Zumba and live online sessions, targeted for employees' families.

Pre-onboarding platform. Another innovation was the launch of the platform for integrating new employees into the company. Thus, it allows, for those who have just arrived in the Carrefour community to receive important corporate information about the corporate ecosystem, better understanding the internal culture, opportunities and benefits at their disposal even before their first day of work.

RECOGNITION

Standout Program. Created by Atacadão, the program recognizes outstanding employees. Run in all the outlets, it has two formats: monthly and semi-annually. In the former, all nominees are honored, two of them being elected and receiving the program's certificate and silver button. In 2020, 4,003 employees were recognized. In the semi-annual version, from the pool of the employees recognized monthly who performed better receive another certificate and button, in addition to an R\$ 1,000 credit. The amount can be applied to a freely chosen training program. In the year, 53 employees earned the distinction, becoming automatically eligible for the Leaders Academy.

Badge strings. Encouraging the employee's permanence in the Company is a priority for Atacadão. To this end, the Company developed the badge string color policy. Over the years, new cords are won and swapped every five years. Currently, there are nine colors – ranging from blue, delivered at admission, to black with gold, at age 40. From the 20 years with the company, an employee is awarded commemorative plaques, a thank-you prism and travel rewards.

COMMITMENT TO SOCIAL MINORITIES

[GRI 103-2; 103-3]

Respect for people is one of the most essential principles of the Carrefour Brasil community. Toward this end, the Group fosters the quality of relationships, valuing diversity and coexistence with all individuals and their singularities, whether employees, customers, service providers, representatives or third parties. These principles are present in the Code of Ethics¹¹ and explained in the Diversity and Inclusion¹² Manifesto .

To reinforce and ensure these principles, the Group has developed a Diversity and Inclusion Platform. Since 2012, it has maintained a Strategic Diversity Committee, Diversity Steering Committee and Affinity Groups. The latter two, led by employees, promote the debate of policies and actions for greater inclusion and visibility of minority groups within the Company.

In monthly meetings, these groups are articulated from the four priority themes, linked to racial, gender, sexual and disabilities diversity and inclusion. The great novelty of 2020 was the decentralization of these discussion spaces for the whole of Brazil. Currently, each of the five regions of the country promotes its own Affinity Group, sensitive to the cross-cutting themes of local minority groups.

In addition, the Group promotes several annual editions of “D-Day.” Thematic events are aimed at hiring professionals from specific profiles of minoritized groups, reinforcing the commitment to valuing and increasing diversity and inclusion in their ecosystem.

AFFINITY GROUPS

GARU (Ubuntu Racial Affinity Group): acts in the face of institutional racism, contributing to the advancement of Black representativity in leadership positions.

Carrefour por Elas: seeks to ensure equal opportunities for both men and women. Reinforces Carrefour’s global commitment: to have 40% of key positions (officers and senior management) occupied by women in all countries by 2025.

TodXs+: focused on promoting and respecting the rights of LGBTI+ people, proposes practical actions to promote a more welcoming environment for people.

More Inclusion: works to make the workplace environment more inclusive, accessible and respectful for people with disabilities.

11 Source: https://conexaoeticacarrefour.com.br/files/manual_de_etica_carrefour.pdf

12 Source: <https://naovamosesquecer.com.br/downloads/manifesto.pdf>

ATACADÃO AND DIVERSITY

Every year, Atacadão organizes “Diversity Week” in all its branches, an event aimed at raising awareness of internal teams for respect, dialogue and inclusion. In 2020, the program integrated mandatory training for 2,112 leaders and members of the Human Resources team, addressing integration and diversity issues. It also trained 61,652 participants on issues of diversity and structural racism. Moreover, all these topics were addressed in five webinars, mediated by outside speakers of national renown: Negra Li, Lorelay Fox, Guilherme Valadares (Papo de Homem) and Ines Cozzo. As preparation, a “Diversity Campaign Manifesto” was produced and sent to all employees a week prior to the start of the event.



ANTI-RACIST FIGHT

In addition to the 2030 Agenda and its SDGs, which include the fight against social inequalities, in Brazil the Group is a signatory of the Business Initiative for Equality – led by Faculdade Zumbi dos Palmares. It sponsors the two largest racial diversity forum dialogues in the country – Fórum Brasil Diverso (Brazil Diversity Forum) and Jornada da Diversidade (Diversity Journey).

Taking aim at equal opportunities, the Group participated in the Professions Fair, led by Faculdade Zumbi dos Palmares. Held in November, it seeks to attract male and female black professionals to the labor market. The Company also maintains partnerships with institutions that help black candidates to get hired, such as the “Empregue Afro” (Employ Afros) company.

In-house, Internship Program workshops are commonly organized for the recruitment, selection and management teams. Based on the unconscious bias concept, they seek to eliminate barriers to hiring types of persons, with an important focus on the racial issue. In recent years, the Company has also promoted leadership training, focused on inclusion practices and appreciation of all people.

Interventions, webinars and awareness-raising initiatives mark the historic celebrations: Black Consciousness Day, Slavery Abolition Day, Black, Latin and Caribbean Women’s Days. On November 13, 2020, the “II Inclusive Leadership Forum” brought together 1,500 leaders to discuss these topics, guided by the participation of Ricardo Sales (MAIS Diversidade), Renato Meirelles (Instituto ILocomotiva), Ines Cozzo (T’AI Consultoria) and Carolina Ignarra (Talento Incluir), among others.

Build and implement an action plan to combat prejudice and structural racism in society.

JOÃO ALBERTO WILL NOT BE FORGOTTEN

Notwithstanding the efforts and commitments that already have been consolidated, the tragedy of November 19, 2020 at the Carrefour store in Porto Alegre aroused in the Group the desire to go beyond it, engaging even more strongly in the anti-racist struggle in the country. Thus, in parallel with the assistance and full monitoring of the victim’s family, Carrefour has publicly committed to adopting measures to prevent episodes like this from recurring.

To this end, it mobilized internal and external experts to build and implement an action plan to combat prejudice and structural racism in society. Nine leaders of movements and personalities active in diversity issues were invited to make up an “independent outside Committee”: Adriana Barbosa, Anna Karla da Silva Pereira, Celso Athayde, Mariana Ferreira dos Santos, Maurício Pestana, Rachel Maia, Renato Meirelles, Ricardo Sales and Silvio Almeida.

Based on the guidelines of this Committee, as well as the contributions of Grupo de Afinidades GARU, the Company presented a short-, medium- and long-term action plan designed to bolster the commitment to valuing diversity with a greater emphasis on the inclusion of black women and men and the campaign against discrimination. To contribute to the fight against structural racism in the country, the Group established eight commitments, divided into three stakeholder spheres: internal (employees); ecosystem (partners and suppliers of the network); and external (society).



Maurício Pestana, Member of the Committee on Diversity and Inclusion & Executive Director of Raça Brasil Magazine

External Committee on Free Expression on Diversity

After the murder of João Alberto, a sad fact that occurred on the premises of a Carrefour store in Porto Alegre, civil society and NGOs and the Public Prosecutor's Office began a clamor for changes on the part of Carrefour. To answer them, it was necessary to act quickly, accurately and exemplarily, making the case a milestone in the Organization's policy of respect and safety. It was necessary to count on contributions across the spectrum, from consumers to racial activists, specialists in the fields of diversity and human rights, always taking into account the particularities of various regions of the country.

The Carrefour Independent Committee for Diversity thus was born and, in just four months of operation, already has amassed a history of many discussions, proposals and results: the redefining of the approach to security; the opening of new channels for discrimination complaints; development of anti-racial profiling actions for employees; bringing the security function directly into the purview of the Company, among others. The success of the experiment went far beyond the internal experience, also capturing the attention of other companies and public institutions. The Chamber of Deputies, for example, was inspired and created a similar committee, reviewing its legislation on the subject, produced after the 1988 Constitution was promulgated.

“ZERO TOLERANCE FOR ANY KIND OF DISCRIMINATION”

and

“WE WILL NOT FORGET”

are much more than our slogans, they are the milestones that our committee will bequeath as a legacy to the anti-racist struggle in Brazil.

Maurício Pestana, Member of the Committee on Diversity and Inclusion & Executive Director of Raça Brasil Magazine

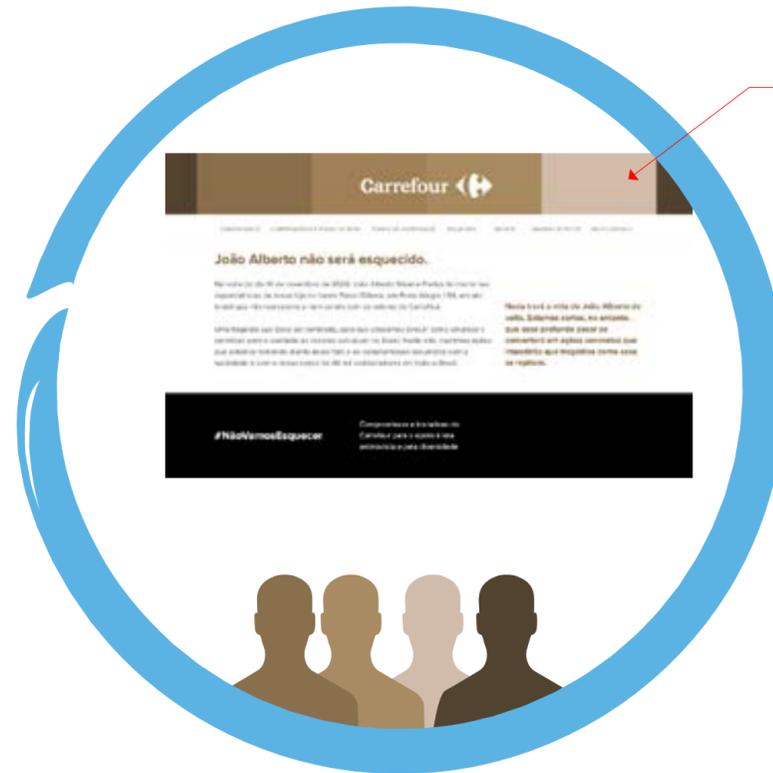
ACTIONS TAKEN TO COMBAT STRUCTURAL RACISM

11/21 Training for 15,000 employees on structural racism, anti-racist actions and practices

11/23 Announcement of the creation of the **Fund for Diversity and Combating Racial Discrimination**

11/25 Creation of the External Committee on Free Expression on Diversity and Inclusion

12/04 Announcement of the internalization of security services inside Carrefour stores



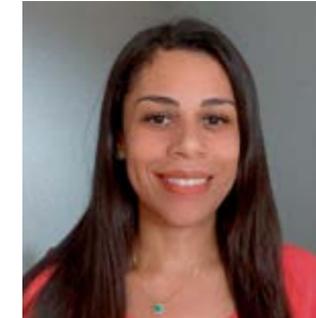
12/05 Launch of the website <https://naovamosesquecer.com.br>, which assures transparency to the commitments assumed

12/11 Disclosure of a short-, medium- and long-term action plan based on eight anti-racist commitments

12/14 Beginning of the pilot process of security internalization in four hypermarkets in RS, including the Passo D'Areia store in Porto Alegre

FUND FOR DIVERSITY AND COMBATING RACIAL DISCRIMINATION

R\$ 40 million = R\$ 25 million direct contribution + R\$ 15 million from sales on November 20, 26 and 27



Ana Lúcia Ramos, Carrefour Project Consultant and GARU participant

We are GARU, to make a difference

With the company for 18 years, and the episode in Porto Alegre was, by far, the hardest time I've had! I saw all the efforts we had been making being questioned, even by those closest to us, which weighed even more. At GARU's first meeting after what happened, I figured we'd make a list of actions and recommendations for the future. To my surprise, the first question we were asked was simply 'How are you doing?' That was the greatest display of empathy I've felt in all these years with the Company. Before being transformative agents and trainers here, we are recognized as people. Our well-being is the basis of motivation to be GARU, to make a difference! To broaden the debate on racial issues, our monthly meetings take place through more specific working groups, in my case oriented to "Stimulating the entrepreneurialism of black people!"

8 COMMITMENTS TO COMBAT STRUCTURAL RACISM



1. ZERO TOLERANCE FOR RACISM AND DISCRIMINATION

Based on a thorough review of the Diversity Valuation policy, rigorous treatment mechanisms have been established for cases of discrimination and racism by employees, customers and suppliers. The main anti-discrimination measures in management and governance are:

- ▶ Disclosure of the reporting channel to all stakeholders.
- ▶ Include clause and/or send the anti-racist and anti-discrimination letter, as the case may be, to enter into force in all active contracts with suppliers.
- ▶ Promote the training of Ethics Ambassadors on Diversity and Racial Equity.
- ▶ Review of the evaluation model of indirect purchasing suppliers, including third parties.



2. RADICAL TRANSFORMATION OF CARREFOUR BRASIL'S SECURITY MODEL

On December 4, Carrefour Brasil adopted a commitment to internalize 100% of the inspection teams operating within the stores by October 2021. The new professionals will have a redefined profile and approach, with emphasis on customer support, guidance and welcoming. The main actions are:

- ▶ Revision of the Approach Protocols through the transformation of the proposed security model.
- ▶ Internalization 100% of the security prevention team, with the Pilot Project kicked off in four Porto Alegre stores on December 14, 2020.
- ▶ Encouragement of the training of Women and Blacks as supervisory/prevention agents.
- ▶ Empower 100% of the inspection team and systematize the onboarding and recycling process with topics covering human rights, diversity, zero tolerance and the approach protocol.



3. DISCLOSURE OF THE ZERO-DISCRIMINATION POLICY

The group undertakes to disclose the Zero Tolerance Policy clearly, ostensibly and permanently on the <https://naovamosesquecer.com.br> website. Launched on February 5, 2021, the website goes far beyond being an accountability space. It is a channel for dialogue with entities and movements that fight for the cause. Main objectives of the platform:

- ▶ Disclosure of the policy to all stakeholders via websites, apps, social networks, and more.
- ▶ Building for employees a path of learning diversity, inclusion and combating all forms of discrimination.
- ▶ Implementing of mandatory training for all employees and third parties on the Policy to value Diversity and Combat Racism and Discrimination.
- ▶ Creation, in the first half of 2021, of the Virtual Educational Forum on combating racism and all types of discrimination, open to all Brazilians.



4. INVESTMENT BY CARREFOUR IN BLACK PEOPLE'S CAREERS

Carrefour is engaged to offer differentiated training for accelerating career growth inside the Company. Based on four actions, the Company wants to allow black people to reach leadership positions faster:

- ▶ Through mapping, to reach the target set for black women and men to achieve every leadership level at Carrefour.
- ▶ Implementation of a unique learning path to promote career access to minority groups (blacks, trans, women and refugees), including behavioral and technical skills with a greater focus on technology.
- ▶ By December 2021, ensure the development and empowerment of 100 black people per year as a career lever, including psychological and emotional support, and acceleration of knowledge (undergraduate, MBA, languages, etc.).
- ▶ Create an affirmative internship program for black youth of both genders.



5. PRIVATE SOCIAL INVESTMENT IN EDUCATION, ENTREPRENEURIALISM AND EMPLOYABILITY

The Grupo Carrefour Brasil undertakes to fund technical and academic courses for the training of professionals for the labor market. In 2021, notices will be published focusing on black education, employability and entrepreneurialism. The commitment is divided into four main actions:

- ▶ Mobilize large partner companies to invest in this movement to support the employability, education and entrepreneurialism of black people.
- ▶ Funding technical courses in Technology and Gastronomy for black people, focusing on vocational training.
- ▶ Funding academic development in Technology, Engineering and Gastronomy for black people as preparation for the labor market.
- ▶ Fostering Social Impact Projects for black entrepreneurs in the field of nutrition in rural and/or urban areas.



6. MINIMUM PERCENTAGE OF 50% OF BLACK MEN AND WOMEN AS NEW HIRES

Carrefour will employ black professionals for strategic positions and annually will hire about 20,000 employees, a project structured on four action fronts:

- ▶ Hire black professionals for strategic positions in Carrefour, including the Board of Directors.
- ▶ Apply a demographic census, with questions of perception about diversity barriers and surveys of types of prejudices.
- ▶ By the end of August 2021, open an exclusive trainee program for black talents.
- ▶ Hire black collaborators in partnership with associations and headhunters in the cities where its units are located.



7. INTRODUCE A PREJUDICE AND DISCRIMINATION REPORTING MECHANISM

Another measure is the creation of a digital device on websites and applications, focusing on combating racism and all manners of discrimination. Employees and clients can easily report cases of prejudice and violence related to race or gender. Upon receipt of the complaint, a dedicated team will immediately initiate an investigation to take the necessary action.

- ▶ Create an ombudsman channel for virtual complaints related to the fight against racism, discrimination and violence for clients and employees.
- ▶ Create a device linked to the reporting channel, so that the client can assess whether they have suffered or perceived any discrimination in our physical and/or digital units.



8. STIMULATE BLACK ENTREPRENEURIALISM

Carrefour is committed to creating an Entrepreneur Inclusion Program in its value chain, with exclusive investments in incubator networks and black accelerators in the food, rural and technology production chains. The pilot project will take place in the state of Rio Grande do Sul.

- ▶ Redefine the criteria for hiring suppliers, in order to consider the black entrepreneurial network of the country.
- ▶ Via innovation hubs, incubate and accelerate black entrepreneurialism.
- ▶ In its marketplace and physical spaces in stores, promote the network of black entrepreneurs in each region.

GENDER ISSUES

In addition to the permanent search for the inclusion and appreciation of professionals in the organization, a movement led by the Carrefour Affinities Group for Women, the Company historically has been engaged in the fight against violence against women. Among the main actions of 2020, the following are notable:

Internal Policy Combating Violence against Women.

Published internally in 2020, it aims to welcome and grant opportunities for the employee to escape a situation of violence.

PAC. The Employee Support Program (PAC) is, in addition to other features, a channel for assisting employees in situations of violence, through which they will find support and guidance. Through a telephone service, professionals trained for psychological, legal and support guidance are on duty to help.

Donation to the Maria da Penha Institute. For the third consecutive year, part of the sale of French bread made in Carrefour stores on International Women’s Day was reverted to the Non-Governmental Organization.

Mulher 360. The Grupo Carrefour Brasil is a signatory of the Mulher 360 (Woman 360) movement, an independent non-profit association formed by organizations in the Brazilian business sectors, committed to promoting gender equity and raising women’s participation in the corporate environment.

Machismo is out there. On July 15, Men’s Day, Carrefour introduced into the company a wide-ranging discussion of sexism and masculinity. To this end, the Papo de Homem specialist entity participated.

The Company historically has been engaged in the fight against violence against women.

LGBTI VISIBILITY+

The actions of the Carrefour Diversity and Inclusion Platform also have as a priority the career development of the LGBTI+ community members. Within the Company, the TodX+ Affinity Groups constantly seek solutions to promote more welcoming and respectful environments for members of this community.

Trans Insertion. Even with considerable advances in the inclusion of LGBTI+ people in the labor market, trans people still face great difficulties. Toward this end, the Company prioritizes the agenda for the inclusion of trans people in the country. Currently, Carrefour employs more than 75 trans people throughout Brazil, totaling more than 200 professionals in recent years.

Retail Connection. Held in partnership with the Rede Cidadã NGO, the project has been empowering young people and trans adults since 2015 to work in the food retail sector. By 2020, more than 240 professionals were trained by the program.

INCLUSION FOR PEOPLE WITH DISABILITIES

More Inclusion. The Affinities Group designs and proposes alternatives to transform work environments to the needs of these employees. In addition, other activities permeated the year and reiterated the Company’s commitment to the subject.

Include to Transform. The Atacadão program focuses on attracting and hiring people with disabilities, complying with the quota established by law and contributing to the Company’s diversity. It also raises the awareness of managers to the process of hiring people with disabilities. In 2020, 1,720 employees had some physical or intellectual disability.

National People with Disabilities Day. In September, the date is one of the key moments of the year for developing specific actions for the development of employees with disabilities within the Company and raising awareness about their needs within the entire Carrefour community.

Libras Course. Aiming to create more inclusive working and purchasing conditions, Carrefour made Libras sign language learning courses available in 2020 for employees in contact with deaf people.

Carrefour awareness actions. Actions for people with deficiencies (PWD): among the initiatives are specific videos with coexistence tips sent to managers and employees, dialogues about sports practices and making identification vests for employees with hearing impairment in the stores.

In 2020, 1,720 employees had some physical or intellectual disability.



Thiago Vicente,
operations analyst
at Banco Carrefour

Discussions for more inclusion

Since I joined the Company more than two years ago, I have been part of the “More Inclusion” Group. Our meetings, always very productive and pleasurable, are based on equality issues, aiming increasingly at the well-being and inclusion of people with disabilities in the Company. In addition to the debates, we organize awareness actions to share perceptions of our daily lives with our colleagues. In this sharing of a reality to which they do not have so much contact, it is always very beautiful to see the positive impact that finally occurs. I note that there is the awakening of genuine care and attention to the topic, encouraging more sensitive and empathetic behaviors.



4

Society, Relationship and Innovation

Commitment to society

Social Responsibility

Animal Causes

COVID-19: solidarity
and contributions

Organizational and social innovation

Innovate to relate

Innovate to transform

IMPACTS AND RESULTS PRESENTED IN THIS CHAPTER COVER THE FOLLOWING CAPITALS:



Intellectual



Social and Relationship

Organization,
Management and
Compliance

Safety,
Health and
the Environment

People,
Diversity
and Inclusion

**Society,
Relationship,
and Innovation**

Organizational
and Financial
Performance

The Grupo Carrefour Brasil is guided by the needs and evolutions of society, offering solutions and actions for the common well-being. In this sense, the year 2020 has presented the teams with unprecedented urges and challenges, both inside and outside the business, which required adaptability and even more innovative actions. To address these issues, this chapter provides a thorough diagnosis of the Group's performance and achievements in terms of two thematic fronts: social and customer relations.

The first part of this section presents a summary of the Company's actions towards supporting projects related to social and animal

causes, in addition to the measures taken nationally to mitigate the consequences of the coronavirus pandemic for the most vulnerable. In total, 91 social projects were supported by Atacadão and Carrefour, 44 of which were carried out during the year, reaching a direct public of 6 million people in more than 16 states in Brazil. The "Solidary Movement" campaign, which was launched since the early weeks of the COVID-19 pandemic, showed an outstanding prominence, contributing directly to the lives of 2.5 million people. From April to July 2020 alone, the total sum of donations amounted to R\$ 21 million.

The next part brings together the digital ramp-

up initiatives of the Grupo Carrefour Brasil, a movement that has boosted the ecosystem, by offering opportunities to be tapped jointly by the different businesses. Among the advances of the year is the reformulation of Carrefour e-commerce, the launch of the Atacadão marketplace and e-commerce, and the new Carrefour app. It also describes the growth achieved by CyberCook, the Group's portal for healthy and quality recipes, as it adapts to the challenges posed by the change in consumer behavior in the face of the COVID-19 pandemic. Other topics covered are the customer relationship channels and the measures adopted to meet the changes brought by the Data Protection General Law (DPGL).



Our social role transcended the sale of food and non-food items, and that we should also help those most impacted by the pandemic, through a major solidary movement.

DANIEL MILAGRES,
Marketing Director

As one of the largest private employers, operating for over 45 years in Brazil, we feel responsible and motivated to contribute more and more to a fairer society, where everyone enjoys the same opportunities and access to quality and healthy food. As a result of the pandemic, our customers, society and the entire market expect companies such as the Grupo Carrefour Brasil to take an even more assertive and proactive attitude towards Social Responsibility. In this sense, we have created an unprecedented task force in the Company!

Inspired by the good practices of our colleagues in Europe, we have been pioneers on several fronts, by implementing initiatives that could protect both employees and customers. We realized that our social role transcended the sale of food and non-food items, and that we should also help those most impacted by the pandemic, through a major solidary movement. More than R\$ 21 million were given

in donations, which has enabled us to help more than 2.5 million people in vulnerable conditions.

Driven by a new customer behavior this past year, we have also been able to fully implement our strategy of migrating Carrefour's communication to digital channels, thus completely eliminating our printed flyers and short-term offers. By doing so, we avoid crowding in our stores and strongly contribute to the protection of the environment. In addition to the savings and results generated, we were able to reach an even larger number of customers, by featuring promotions and benefits that are more aligned to their purchasing profile. An innovation for the benefit of the business, the customer, and the planet!

With this vision and the purpose of conciliating what can really transform the lives of our customers, employees, and the Brazilian society as a whole, we continue to evolve and innovate at Carrefour.

COMMITMENT TO SOCIETY

SOCIAL RESPONSIBILITY

The social responsibility strategy conducted by the Grupo Carrefour Brasil is aligned with two guidelines: The Sustainable Development Goals (SDGs), of the United Nations (UN), and the business agenda, largely guided by the Act for Food. The Company's international movement aims to democratize sustainable products and raise awareness on the importance of adopting good eating habits through four action fronts:

- ▶ Nutrition Education: informing and promoting healthy eating habits;
- ▶ Generation of Income and Value: to offer qualification and opportunities for insertion into the job market;
- ▶ Food Production: to contribute to the social and economic inclusion of small producers; and
- ▶ Social Mobilization: to engage employees and clients in volunteer work and social campaigns.

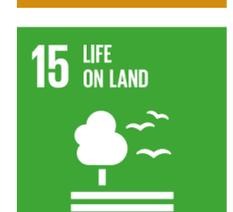
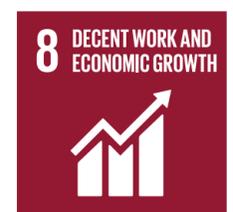
These actions are carried out in partnership with governments, public agencies and non-profit organizations, and are fostered

by direct investments, Federal Incentive Laws and by the Carrefour Foundation, the international institution responsible for the Group's social investments. As a result of the coronavirus pandemic, some initiatives have had to be adjusted. Investments in annual and longer-term projects have been maintained. In addition, other emergency actions have been developed to provide support to the most vulnerable communities.

Throughout the year, Atacadão sponsored 58 social projects, and carried out 24 of them in 12 states of the country. Despite the restrictions imposed by the coronavirus pandemic, 1.2 million people were directly impacted by these actions and 6.5 million indirectly. Following the same path, Carrefour has supported 33 social projects and implemented 20 of them, reaching 502,000 people directly and 733,000 indirectly, in 16 states.

All cultural, sports, and social activities were offered free of charge to the community, through the Culture and Sports Incentive Law, the Municipal Fund for Children and Adolescents (FUMCAD), and the National Fund for the Elderly, in addition to projects funded directly by the Grupo Carrefour Brasil and the Carrefour Foundation in France.

Social
Responsibility
actions are
linked to 7 of
the 17 SDGs



NUTRITION EDUCATION

Semear (Sowing). Supported by Federal Incentive Laws, it aims to draw the attention of children and teenagers to good eating habits through theatrical presentations and cooking workshops in public schools. Due to the pandemic and, consequently, the suspension of classroom activities, a ludic booklet has been developed on the disposal of organic waste, composting, fertilizer, the use of leftovers, food waste, and cooking recipes. The booklet, which includes interactive activities, is expected to be distributed in the second half of 2021.

Gastronomic Guide to the Suburbs. Sponsored by Atacadão, the project maps out good and cheap establishments in the suburbs of São Paulo and the Metropolitan Region, aiming to value and spread the cultural manifestations of the suburbs. In 2020, two main actions were carried out: the launch of the gastronomic guide “Prato Firmeza Preto”, and a series of five podcasts, deepening discussions on the themes covered in the guide.

Educational Toolkits “Gastromotiva”. In partnership with the Carrefour Foundation, the project systematizes methodologies related to social gastronomy, created by the “Gastromotiva” NGO, including:

- ▶ Ludic and entertaining nutrition education for children.
- ▶ Transformation of food for new applications within the gastronomic world.
- ▶ Gastronomy that tackles global issues related to social inclusion.
- ▶ Multidisciplinary knowledge to combat violence, crime, and inequality against women, by promoting female empowerment and social welfare.

In 2020, in continuing the Company’s two-year investment, “Gastromotiva” also donated food to people in vulnerable conditions in the city of Rio de Janeiro (RJ). A total number of 50,000 meals were distributed during the pandemic.

School Garden. A result of the School Connection Program with the UN Goals, this project was created in 2004, through an invitation from UNDP/UNV (United Nations Volunteers). Its objective is to disseminate good environmental practices, and to awaken interest in vegetable gardens, changing the eating habits and improving the quality of life of students from public schools in Brazil, as well as their family members. In 2020, the project was held remotely for students from municipal schools in the city of Itapevi (SP).



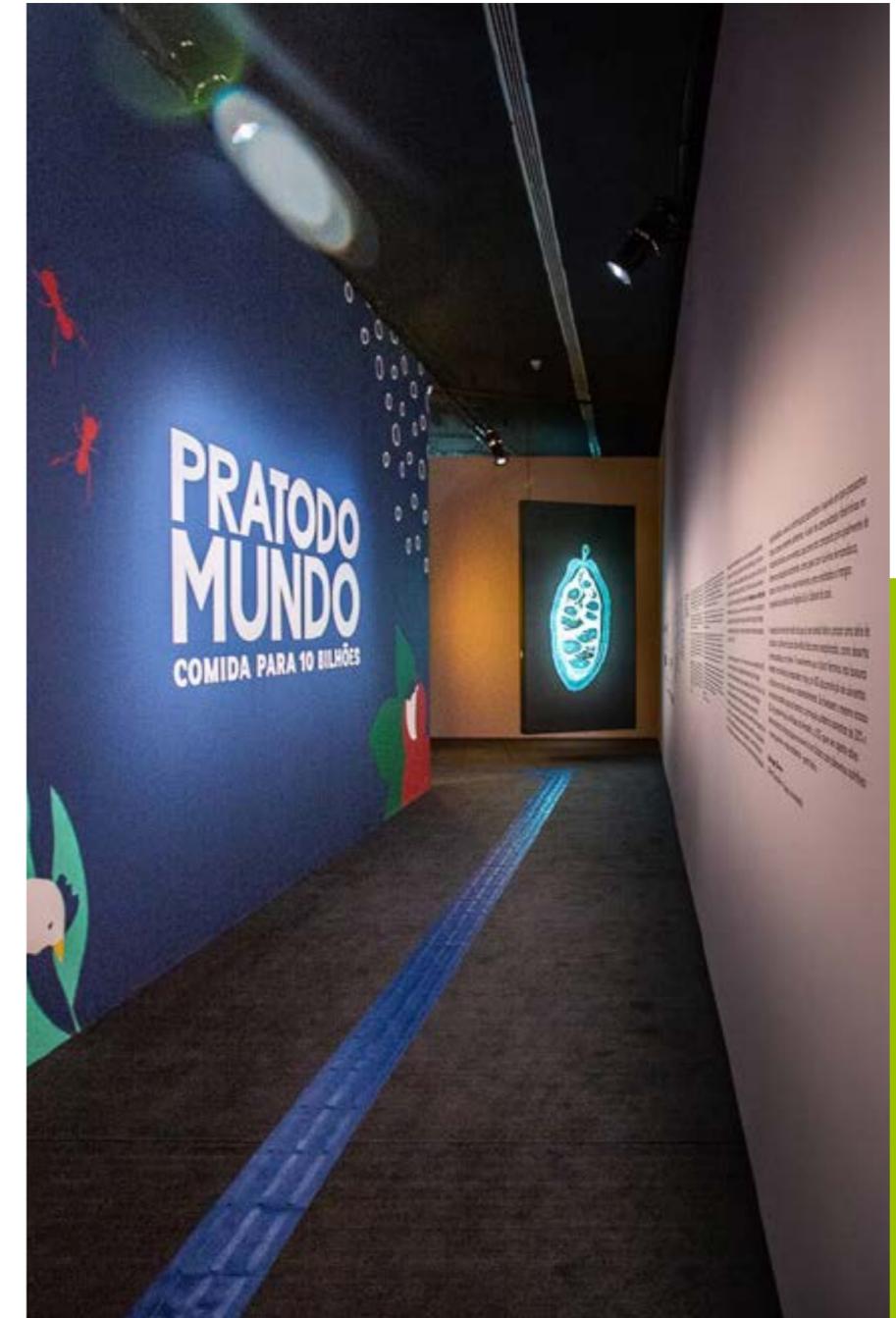
Gastronomy in the Suburbs. This organization deals with social transformation through free professional gastronomy courses for people in vulnerable conditions. In 2020, the classes migrated to social media, with more than 500 views. To ensure students' access, the program provided monthly Internet connection recharges, and vouchers for the purchase of the necessary supplies for the online course and evaluation. In addition, more than 2,000 gift cards were distributed to 10 partner charity organizations.

Building New Habits. Aimed at youths in situations of social risk and vulnerability, this project develops food and nutritional education activities. It takes place at the Dom Bosco Educational Complex, in the Raposo Tavares District (SP). Through distance learning classes, 300 children and adolescents between the ages of 6 and 16, together with their families, were benefited by this initiative in 2020.

Mobile Movie Theater. Since 2018, Carrefour has been supporting the itinerant movie project via Incentive Laws. A bus, converted into a movie theater, has already toured municipalities in the states of Paraná, Minas Gerais, and São Paulo. More than 370 sessions have been held, featuring movies that address healthy eating habits, with the distribution of educational booklets on the subject. In 2020, the project held 130 sessions, in 10 cities, always respecting the social distancing rules.

“Dish of the World” Exhibition Virtual Tour. After the success of audiences in 2019, the exhibition “Dish of the World - food for 10 billion” reopened its doors on virtual tour in 2020. Once again, with the support of Carrefour, the Museum of Tomorrow (RJ) granted the public an immersion in the nutritional challenges posed by a world population that is expected to reach 10 billion people by 2050. The 360o Tour, with audio-guided tours of nearly 20 exhibition rooms, and external areas of the museum, presents artistic interventions on diversity in food production, respect for the environment, nutritional quality, unequal distribution of food, in addition to hunger and extreme obesity. An integral part of #museuemcasa, this initiative offers free online entertainment options during the social isolation period.

More than 370 sessions have been held, featuring movies that address healthy eating habits.

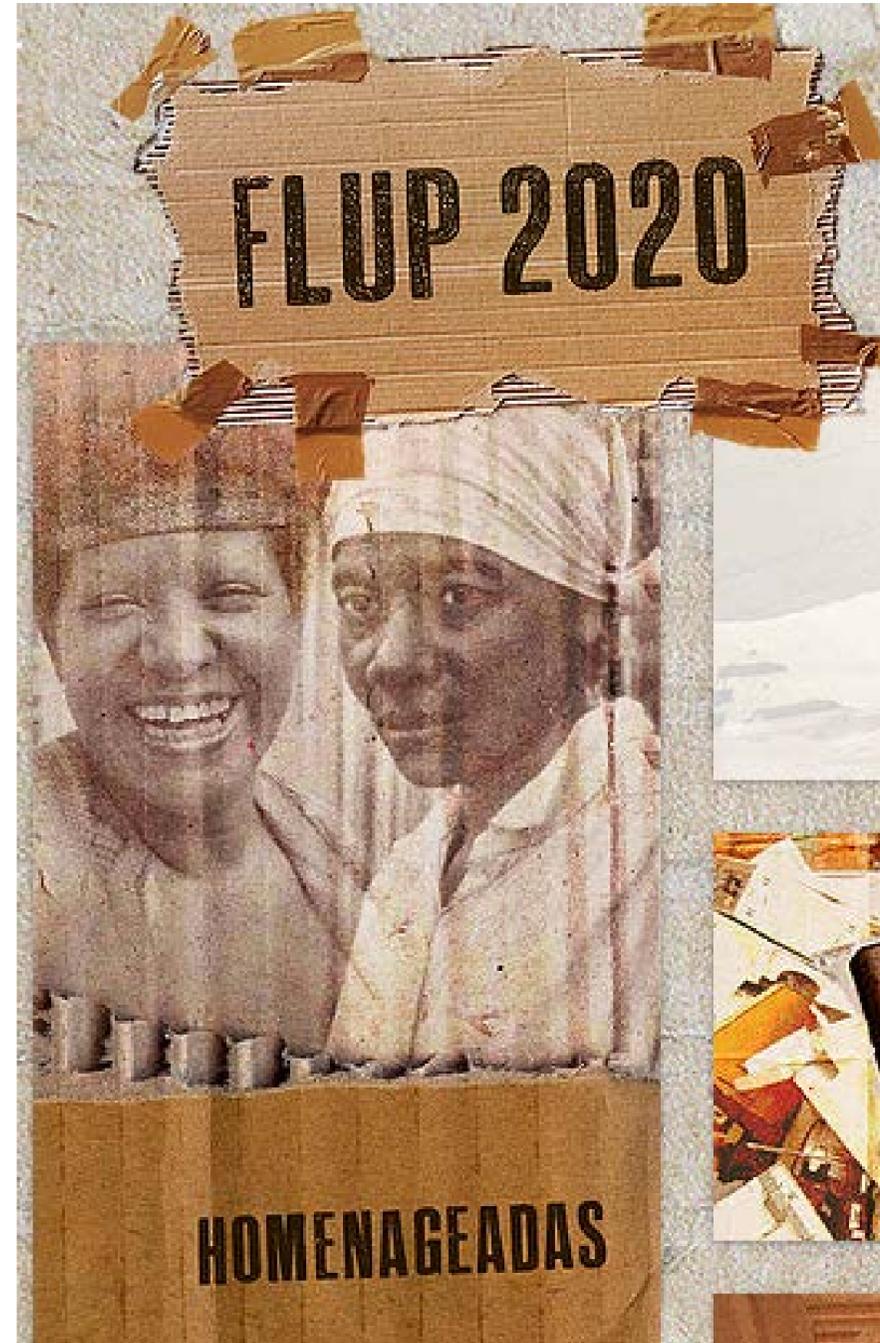


GENERATION OF INCOME AND VALUE

Pro-Retail. The Professional Qualification Project for Retail aims for social and economic inclusion of youths and adults in vulnerable conditions. Through technical and behavioral qualification, it pursues their integration into the labor market, and into food and retail companies, including opportunities at Carrefour itself. This initiative, supported since 2019 by the Company, has as partners the Paulistana Foundation (a body linked to the Municipal Economic Development Department of São Paulo) and the NGO “Rede Cidadã” (Citizen Network). The goal is to train 700 people by the end of the project, in 2021. In 2020, 198 youths and adults were trained. The qualification through Distance Education (EAD) starts in 2021.

Amparo ao Idoso (Help to the Elderly). In the city of Barretos (SP), Atacadão sponsors the Amparo ao Idoso Hospital, which renders free assistance to patients and their families in the humanizing practice of palliative care. The hospital also offers legal advice and social assistance. In 2021, 1,297,559 people were assisted by the hospital’s actions.

Music schools and citizenship. Fostered by Atacadão, the project allows for the maintenance of eight community centers that teach music - particularly of orchestral instruments - free of charge, to children and youths from



low-income communities in the city of Rio de Janeiro and in the Metropolitan Region. When the pandemic hit, the project adapted its offer, producing 1,726 online classes for 763 people.

Gerando Falcões (“Generating Falcons”). Sponsored by Atacadão, the project aims to maintain the free artistic and cultural activities of the “Gerando Falcões Institute”, aimed at residents of the outlying regions of the cities of Poá, Suzano and Ferraz de Vasconcelos, in the state of São Paulo. In 2020, the courses ministered online reached 1,718 children and teenagers.

Midiacom. This program, which is sponsored by Atacadão, implements social technologies and educational innovations for students and teachers in the municipality of Eusébio (CE). In 2021, 15,554 people attended the distance training courses for teachers, the preparation of online classes, teaching-learning platforms, paradidactic books with games, and professional training for multimedia technicians.

FLUP 2020. In its 9th edition, the first totally online, the “Festa Literária das Periferias” (“Literary Festival of the Suburbs”), sponsored by Atacadão, brought together 75 Brazilian and foreign artists in formative processes and debates. In 2020, this platform for the creation of great literary stories brought together an audience of 104,495 people.

Cine Rodas (“Wheels Movie Theater”). Sponsored by Atacadão, the itinerant cultural project showed movies and cartoons in cities of the countryside of the Northeastern region in Brazil. In the 2020 edition, held in October, the event was adapted and met all the safety protocols set out by the World Health Organization (WHO) for the prevention of COVID-19. The sessions were held outdoors in the Events Space of the city of Madre de Deus (BA). Themes such as inclusion, sustainability, environment, and tolerance were prioritized in the screenings. Monitored by educators to ensure social distancing, children and young people also participated in interactive activities.

Partiu Natal no Nordeste. In December, Atacadão sponsored the show “Partiu Natal no Nordeste” (Christmas in the Northeast). With dance, theater and music, the Capibaribe Dance Company (PE), created over 45 years ago, celebrated the culture and folklore of the Northeastern region of Brazil. Due to the pandemic, the production was shown online, by YouTube.

Instituto Rede Tênis Brasil (“Brazil Tennis Network Institute”). In 2020, the Group began investing in this project via the Sports Incentive Law, with a view to promoting social transformation through tennis. The focus of the Institute is to train children and youngsters from public schools on the outskirts of the cities in Recife (PE), Barueri (SP), and Brasília (DF), during after-school hours.



SOCIAL MOBILIZATION

Natal do Bem (“Christmas for the Good”). Held annually, this project aims to collect food for families in vulnerable social conditions. For one day, volunteers located throughout the Group’s hypermarkets and supermarkets invite customers to donate foods at the moment of purchase. The groceries are added to the donations made by the Company itself, and distributed to partner institutions of the campaign: Rede Mesa Brasil Sesc, municipal food banks, and the NGO Amigos do Bem.

In 2020, 139 stores and 45 partner charity institutions took part in the action, in which nearly 330 volunteers collected 22 tons of food. To expand the campaign, the Company donated another 15 tons of food and 6,000 gift cards worth R\$ 100 each to charitable institutions. Altogether, more than 35,000 people were impacted by the 2020 “Natal do Bem” campaign.

Partnership with the Salvation Army. The collection of winter clothes donated by customers is carried out from May to July. In 2020, the campaign resulted in the donation of more than 320,000 pieces, about 102,000 kilos of clothes. The clothes are distributed in partnership with NGOs or government bodies that support the initiative. A part of these clothes is also destined to the Salvation Army’s Charity Bazaar.



Partnership with “Amigos do Bem”. This project organizes donations for more than 75,000 people in the hinterland of the states of Alagoas, Pernambuco, and Ceará. Between 2015 and 2019, 2,152 tons of food were collected, guaranteeing 4.3 million meals. In 2020, the total was 58 tons. In addition, more than 281,000 units of “Amigos do Bem” products were sold in Carrefour stores, totaling more than R\$ 2.4 million. Furthermore, R\$ 120,000 were donated to the Institution’s projects, and about 3,800 units of showcase products from Carrefour stores.

Partnership with the United Nations Children’s Fund (UNICEF). This initiative is held in more than 10 stores in the cities of São Paulo and Campinas (SP), by nearly 100 volunteers linked to UNICEF, who ask customers to make donations to the institution’s social causes. In addition to providing the space in the stores, the Group is developing a joint project, so that in the approximation to customers, information on healthy nutrition is also disseminated, in line with the goals of the Act for Food. The action took place during the first half of 2020.

Carrefour Volunteer Program. Between 2015 and 2019, this program registered more than 1,100 volunteers on the social mobilization platform, and approximately 300 volunteer actions and employee engagement in solidary actions. In 2020, the program was required to be adapted due to the pandemic. Some initiatives were carried out in an online format, in addition to the acknowledgement of those who carried out independent volunteer work. Overall, more than 190 volunteers were mobilized in actions that directly benefited 921 people.

Vila dos Machados and Crepúsculo Community (Guarulhos). Based on a mapping and approach work with the communities surrounding the chain stores, a plan has been developed to transform and revitalize the public space in the surroundings of the hypermarket located in the community of Vila dos Machados and Crepúsculo, in the municipality of Guarulhos (SP). The Company has invested in the construction of a multi-sports court for the residents, in painting the surroundings of the new space, in cleaning and local lighting, in tree pruning, and in improvements in the access to the store. The operation has benefited more than 15,000 people.

FOOD PRODUCTION

[GRI 103-2; 103-3]

Sustainable Production of Calves. With the support of the Carrefour Foundation, an investment of € 3 million has been allocated to the qualification of more than 450 small rural producers in the Juruena and Araguaia Valley (MT). Developed since 2018 in partnership with the Sustainable Trade Initiative (IDH), it is aligned with the Company's Zero Deforestation commitment. This initiative promotes the enhancement of production processes, leveraging income generation and socioeconomic inclusion of producers in vulnerable conditions.

Conversion to organics and market access for family farmers. In partnership with the Getúlio Vargas Foundation and sponsored by the Carrefour Foundation, the project aims to strengthen the organic food value chains in the state of São Paulo. Through the engagement of family farmers, it seeks the conversion into this productive model and the incentive of fair trade for them. About 100 small producers are qualified for the transition from the traditional agriculture system to the organic one in farms located in São Paulo's green belt, a preservation area that covers 39 municipalities in the Metropolitan Region.

Acceleration of market access to community businesses.

In partnership with the WWF NGO, and via the Carrefour Foundation, 500 families from traditional communities in the Cerrado region benefit from the program "Structuring Agro-extractivist chains in the Cerrado". This program seeks socioeconomic and productive inclusion in two priority regions: Mosaico Sertão Veredas Peruaçu and Chapada dos Veadeiros. Through the qualification of over 100 producers, the initiative aims at:

- ▶ Enhancing production processes and business management.
- ▶ Providing access to new markets for the trading of the biome's products, cultivated in a sustainable manner.
- ▶ Adopting the "Brazilian origins seal" for selected chains.

Furthermore, the project focuses on developing a supply and trade model that introduces agro-extractivist products into the portfolio of the Group's stores. So far, the action has enabled an increase of more than 10% in Central do Cerrado's volume of operations, and the supply of over 200 tons of local products.

FAST CASH

Business partners, especially in the context of Act For Food, farmers whose profile qualifies for these credit lines, and who demonstrate that they have been affected in their businesses, receive the anticipation of trading values exclusively with the Company. In general, the funds are used to pay for labor, machinery, and working capital, among other demands. For further information, click [here](#).



ANIMAL CAUSE

The animal cause is one of the strategic pillars of Grupo Carrefour Brasil’s social agenda, and in 2020, it received more than R\$ 2.6 million in direct investments.

AMPARA Animal. Aimed at protecting and caring for helpless animals, the Group supports castration drives, adoption events, and nationwide donations of pet food. To this end, it relies on a permanent partnership with AMPARA Animal, the “Mãe NGO” (Mother NGO) that offers assistance to more than 450 shelters for dogs and cats all over the country.

In-house qualification. Another line of action is the qualification of employees to provide assistance to animals in stores, teaching them the steps to be taken for their care and safe referral to protective entities. With the support of AMPARA Animal, the Company has developed a booklet for the care of dogs and cats in stores, aimed at assisting employees who deal directly with the animals. In 2020, due to social isolation, the training sessions migrated to virtual platforms.

CPCA. The Center for Population Control AMPARA (CPCA) is the first hospital that provides free care for needy animals from NGOs and independent Protectors. Through screening conducted by AMPARA Animal, together with Carrefour’s support, 1,000 animals are neutered every month.

Carrefour for Animals. In order to maintain transparency in its communication with society, the Company also has the blog “Carrefour for Animals”, in which it shares in-house initiatives in defense of the animal cause. In addition, it provides tips and information on the universe of pets, exchange of experiences, space for adoption, and stories of adopted animals.

Initiative conducted with the support of the “8 Vidas” (“8 Lives”) NGO

+ 100 cats benefited with food and veterinary care in Barra da Tijuca (RJ)

Initiative carried out in partnership with NGOs in the region of Osasco (SP)

+ 400 veterinary care

Donations from Carrefour

+ 30,000 kg of food donated to the “Onça Pintada” (“Jaguar”) Project in Paraná State

+ 30,000 kg of food donated to Mata Ciliar (“Riparian Forest”)



Actions and donations carried out with the support of AMPARA Animal

+ 31,000 kg of feed donated

+ 4,000 neutering made

+ 3,500 wild animals benefiting from the donations of food

+ 3,360 animals benefited by the “Vira-Lata Sem Fome” (“Stray Dogs Without Hunger”) campaign

+ 3,000 kg of food donated to Pantanal

+ 250 cats benefited by CNR actions (capture, neutering and return)

+ 100 adoptions

+ 90 dogs rescued

COVID-19: SOLIDARITY AND CONTRIBUTIONS

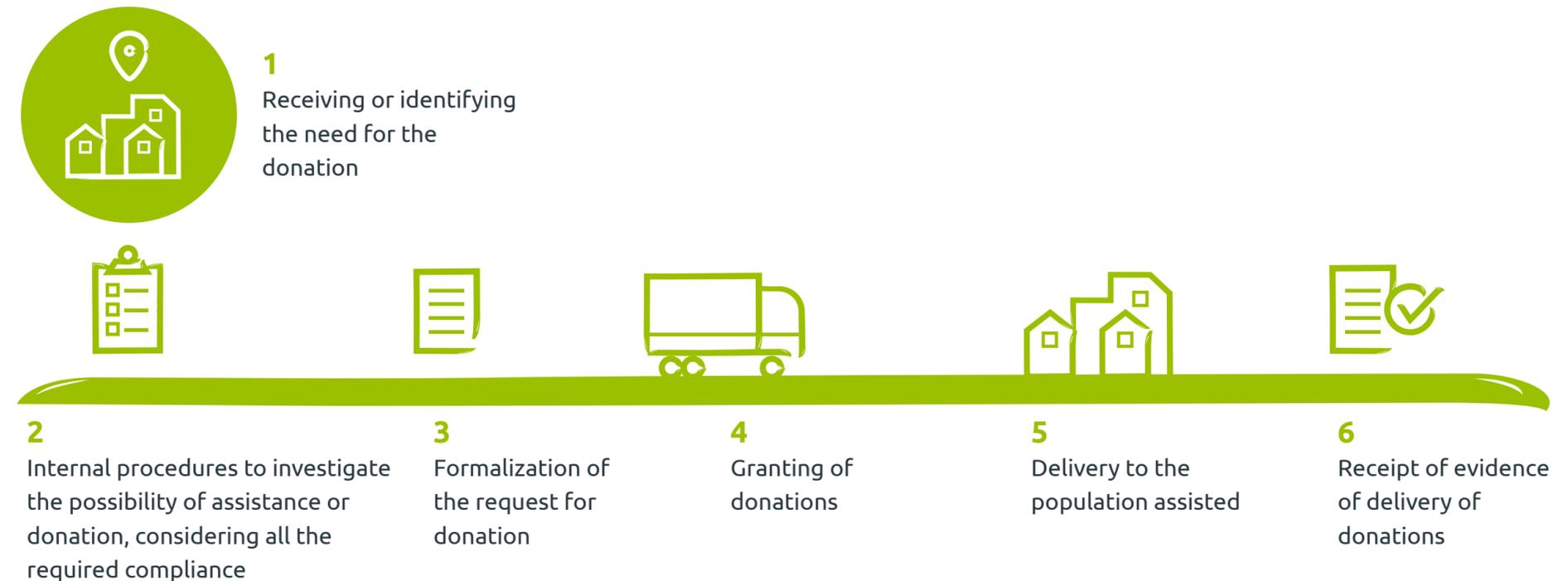
The coronavirus pandemic has posed many socioeconomic challenges to individuals, governments, and the private sector. Large companies that already acted in accordance with corporate social responsibility practices were called upon to diversify their concepts of solidarity, expanding their focus of action and placing their own business and expertise at the service of the population.

To reduce the social impact of the pandemic, the Grupo Carrefour Brasil invested its own funds and provided emergency relief to the communities in various locations throughout the country. It also led the “Solidarity Movement” campaign, through which it created a mobilization ecosystem of customers, employees, suppliers and institutional partners to raise funds for donation.

From April to July 2020, R\$ 21 million were donated to people impacted by the pandemic, by adding the direct donation to the funds raised through the “Solidarity Movement” campaign. The initiative benefited more than 2.5 million people in vulnerable situations nationwide.

FRONT #1: EMERGENCY RELIEF

More than 170,000 food staple baskets and basic need products were donated to the socially vulnerable population in 77 municipalities in 22 Brazilian states. To this end, the Group counted on the support of initiatives to fight hunger in these locations and partner social institutions. The priority of this action front was to provide support to the cities most impacted by the pandemic, and to those that had made requests for emergency support directly to the Group’s Corporate Affairs and Sustainability Departments.



Solidary Masks Project. Support for the “Máscaras Solidárias” (Solidary Masks) project (www.suamascarasolidaria.com.br), which aims to generate income for women in situations of vulnerability and social isolation, through the manufacture and sale of cloth protective masks. This project, idealized by Dr. Albertina Duarte Takiuti, coordinator of the Adolescent Health Program of the State Health Secretariat, has generated income and professional qualification for 1,000 seamstresses.

In April, the Company bought 40,000 masks, and distributed 30,000 to the families of the employees who work in the chain stores and 10,000 to residents of the Heliópolis (SP) community. More than 100,000 masks were also donated to the São Paulo State Government. In May, the Grupo Carrefour Brasil announced the acquisition of new batches of protective masks deriving from this project.

At the time, the Company also purchased 15,000 masks for indigenous leaders in the Amazon region, including locations such as the Indigenous National Park of Xingu (MT) and Indigenous Lands of Rondônia (RO). The NGO Doctors of the Amazon, which assists underprivileged populations, was responsible for distributing the masks in these locations, in an attempt to halt the advance of COVID-19 among different ethnic groups.



LEGAL AMAZON

Funds earmarked for the states of Amazonas, Pará, Amapá, Acre, Mato Grosso and Maranhão. Total of R\$ 3.5 million, broken down as follows:

26,000 food staple baskets

20,000 food vouchers units

55,000 masks distributed to the Amazonas State Health Secretariat

15,000 masks distributed to indigenous and riverbank communities

Support to the “Servir” (“Serve”) Project. From May to July, the Grupo Carrefour Brasil sponsored the project that delivers meals to homeless people in Praça da Sé, in the central region of São Paulo. Carrefour donated 4,800 kilos of chicken, 9,600 kilos of sausages and 75,000 bottles of mineral water. With the sponsorship of other companies, the initiative made it possible to prepare 1,000 meals a day, from Monday thru Saturday, during three months.

Support to employability. Creation of a direct channel for the Citizenship Integration Center (CIC Oeste Jaguará) to forward candidates to Carrefour’s selection process. The objective is to facilitate access to the Company’s vacancies, during the social isolation period. Over the course of 2020, more than 1,100 youngsters and adults were benefited by this action.



FRONT #2 - "SOLIDARITY PURCHASE" MOVEMENT

The Group, using its capillarity and capacity of mobilization, has created an ecosystem of solidarity among customers, suppliers, employees, and institutional partners.

Customers. At Carrefour, they were able to make online donations, through the campaign hot site (www.comprasolidaria.carrefour.com.br), and also in cash, directly at the cashiers of the stores. Atacadão customers were also able to donate money through a hot site (www.comprasolidaria.atacado.com.br), in addition to non-perishable food and hygiene items directly at the stores. For every R\$ 1.00 in cash donated by customers, the Group doubled the amount, to expand the scope of the action.

Suppliers. Creation of an exclusive fund to receive donations in cash or in goods, mobilizing more than 360 partner companies. The amounts donated in cash were added up and reverted into food vouchers worth R\$100 each, accepted at any commercial establishment.

The Company relied on the technical and operational support of recognized NGOs specializing in humanitarian causes to distribute the vouchers to the beneficiary families: Aldeias Infantis, SOS Brasil, Exército de Salvação,

UN's World Food Programme (WFP), Amigos do Bem, Gastromotiva, Geraldo Falcões, Mesa Brasil - SESC and Movimento União SP. The Carrefour Foundation also took part in the campaign, directly supporting the social entity WFP for the purchase of food baskets worth more than R\$ 1.2 million¹².

DYNAMICS FOR THE DISTRIBUTION OF MEAL VOUCHERS

1. Donation to families benefiting from social programs
2. Donation to entities that will purchase food staple baskets and distribute them to families
3. Donation to entities that will purchase the inputs to prepare the meals

R\$ 21 million in donations

+ 2.5 million beneficiaries

+ 170,000 food staple baskets

+ 92,000 meal vouchers

+ 210,000 masks

+ 75,000 bottles of water

+ 30 tons of animal feed

+ 14 tons of proteins

¹² Campaign accountability report: https://static.carrefour.com.br/imagens/estamos-aqui-por-voce-2/files/Relatorio_Grupo_Carrefour_Brasil_Doacoes_Covid-19.pdf

SOCIAL AND ORGANIZATIONAL INNOVATION

[GRI 103-2, 103-3]

INNOVATE TO RELATE

Digital transformation is one of the pillars underpinning the Carrefour Group's global strategy. Having the customer at the center of its decisions, the Company has invested significantly in technology and innovation since 2018. It has thus been prepared for the challenges of 2020, when pandemic introduced new consumer behaviors, with customers seeking even more comprehensive shopping solutions via digital channels.

The period, therefore, was marked by the ramp-up digitalization, through which it was made possible to offer even more technological and innovative tools, empowering customers to have the freedom to choose the best way to make their purchases, always with the best final price in their basket of products.

Carrefour e-commerce, for example, has been totally restructured, by enhancing features it already had and incorporating a high-level performance in order management. Atacadão has also speeded up its digitalization, by launching its own e-commerce platform, further consolidating its expansion plan. Another new feature was the new Carrefour app, which provides customers with access to the entire ecosystem, providing increasingly positive experiences during their shopping experience. Among them, the interconnection with the entire ecosystem, including the CyberCook, which has also adapted quickly to the demands and needs expressed by customers in 2020.

At Banco Carrefour ("Carrefour Bank"), digitalization is also already a reality. In 2020, the institution launched two customer relationship platforms: APAG, a card payment machine designed for B2B customers, already available in 65 Atacadão stores in 22 states, in addition to the eWallet, for individuals, which can be used in more than 50 Carrefour units. These examples show how digitalization has been accelerating and acting as an important link in the Grupo Carrefour Brasil's ecosystem, with a great potential to be jointly tapped by the different businesses.



CARINA. A WhatsApp-based virtual assistant for customer service, based on artificial intelligence. It is one of the most advanced post-sales services in Brazilian retail. In addition to the options that were already available, such as locating store addresses, announcing promotions, among other services, in 2020 Carina gained new features. Through this tool, customers are able to:

- ▶ Access the second copy of credit card invoices.
- ▶ Track the status of orders placed via e-commerce.
- ▶ To clarify doubts concerning the “Minhas Recompensas” (“My Rewards”) program.
- ▶ Forward post-sales complaints, by starting the conversation via chat, a contact that is then handled by an employee.
- ▶ Receive CyberCook recipes by e-mail. After registering the e-mail and selecting priorities, the artificial intelligence is able to read preferences, forwarding dish suggestions according to the information mapped.



ONE CARREFOUR. The customer care services (SAC) of retail, e-commerce, and banking, are centralized. On the same platform are the Contact Center, Social Media, Chat, Contact Us and WhatsApp, in addition to CARINA. As a result, the Company is able to have a single overview of this public, which enables it to establish an even closer relationship, providing proposals that are suitable to the different customer profiles. In 2020, for example, a temporary structure was created, so that people over 60 could make their purchases by phone, an innovative measure aimed at contributing to the isolation of this group at risk during the pandemic.

Adding up all channels, there were more than 38 million calls during the year, a record that reflects the growth in the base of credit cards issued by Banco Carrefour and the e-commerce operations, an option increasingly sought after due to the new purchasing habits acquired during the pandemic. Also among the highlights of the year is the gain in operational efficiency, with greater automation: Whereas the calls via the electronic center grew by 17.5%, the human interface moved in the opposite direction, with 20.5% fewer calls than in 2019.

There has also been a drop in registered complaints. In 2020, complaints accounted for 23.2% of all calls. In the previous year, they comprised 26.7% of the total. Carrefour is also present in all complaint platforms currently available, such as



Jean Wosch, service coordinator for the Group's SAC Retail

Covid-19 and the sales channel for +60 years old

During the pandemic, the essential thing was to act with humanity, and somehow seek ways to contribute to society and to our customers. We have created an exclusive sales channel for the high-risk group, over 60 years old. Within a little more than two months, more than 8,000 orders were placed. In addition to the success of this experience, I was sure that one of the Company's cornerstones was being put into practice there - serving the customer with passion - putting him in the first place, at the center of our decisions.

“consumidor.gov”, “Reclame Aqui” and “Procon” - in addition to the Central Bank of Brazil, applicable considering that the Group holds a financial institution -, giving priority to these demands. Furthermore, Banco Carrefour customers can rely on the Ombudsman, the last instance of complaint within the Institution.

The reports on the services provided by the Bank and respective indicators are disclosed every six months and can be accessed [here](#).

In 2020, the complaints forwarded to the Bank’s communication channels exceeded the previous year’s total by 17%, an increase driven by doubts arising within the pandemic context, such as debt renegotiation and requests for rate reductions, as well as by the significant growth in the number of digital account customers (more details [here](#)). In terms of the unified service structure, there have been no proven complaints regarding violation of privacy or loss of customer data **[GRI 418-1]**

One Carrefour’s customer service in 2020 (STORES + E-COM + BANCO CRF)

30.1 million accesses via URA, electronic answering equipment. The number exceeds by 17.5% that recorded in 2019.

8.9 million human support interactions via the Call Center, a drop of 20.5% in relation to the volume registered in the previous year.

7 million chats via WhatsApp, up 250% from those held in 2019.

1.4 million contacts via Chat, up 106% from the total recorded in the previous period.

247,000 reviews on Google My Business, down 18% from 2019.

144,000 responses on Social Media, with an average response time of four hours, 55% greater than in the previous year.

CARREFOUR’S NEW E-COMMERCE PLATFORM

Carrefour’s e-commerce platform has been totally redesigned in 2020. Thus, when users search for a product, food or non-food, they find personalized suggestions based on what they usually buy or have shown interest in at some point. When concluding the order, the user can choose to receive it at home or pick it up at any Carrefour store or other physical point of his/her preference. The new version of e-commerce was launched in October, including other changes:

- ▶ **Optimized and resilient performance:** adjustment to the number of accesses, remaining active regardless of the peak of orders or trading volume.
- ▶ **Mobile first:** prioritization of the consumer experience by the most accessed channel, via tablets or mobiles.
- ▶ **SmartCheckout™:** safe storage of credit card data, enabling one-click-buy shopping.

Customer Satisfaction

In 2020, the Net Promoter Score (NPS) increased by

90%.

This data specifically refers to the food products available on the e-commerce platform.

ATACADÃO E-COMMERCE

Aimed exclusively at the B2B public, mainly small and medium-sized retailers, the www.atacado.com.br portal integrates an online sales channel of the network itself. In addition to maintaining the price differential, a hallmark of its operations, it also operates a marketplace with more than 300 partner sellers.

This process of innovation was accelerated with the purchase of 51% of the capital of CotaBest, a reference startup in the wholesale online market, with its own technology for the development of the platform. The operation started in the city of São Paulo in 2020.

Another innovation is the partnerships established by Atacadão with the Rappi and Cornershop apps. At the end of 2020, 51 of the chain's stores in 12 states had this service available. Nearly 8,000 products are available in this purchase format, from basic cleaning and personal hygiene items to fruits, vegetables, legumes, and dairy products, among others. The operation has a team of shoppers, who respond in real time to the orders that are placed via the application. At the end of 2020, Atacadão had 185,000 customers served via apps.

B2B E-COMMERCE

4,000
products in its own operations

50,000
products on the marketplace

+300
partner sellers



INFORMATION SECURITY

FB-FR-230a.2

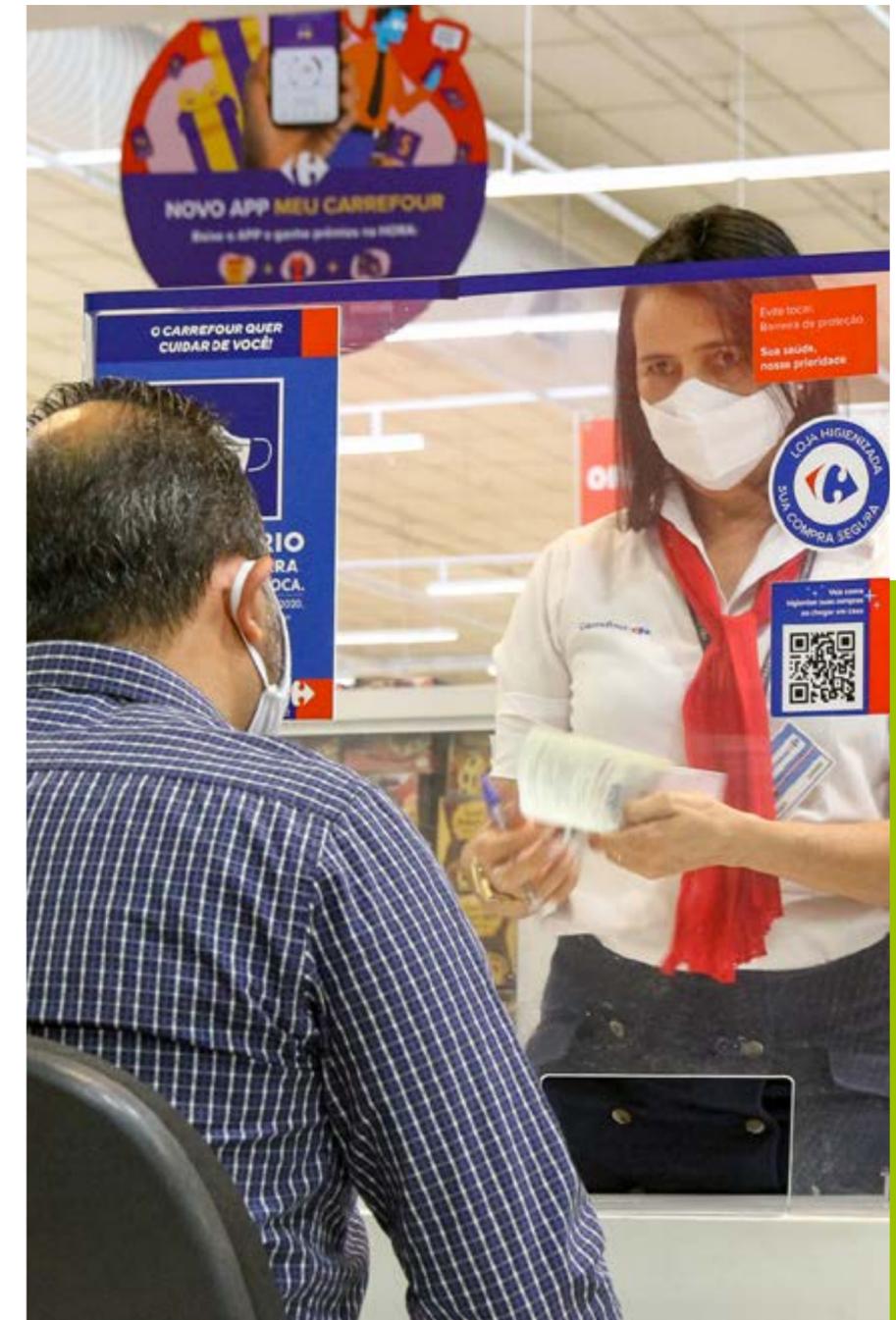
Customer data security was one of the points that gained priority in 2020. All of the Company's processes related to this topic were reviewed and adapted to the guidelines laid down by the Data Protection General Law (DPGL), which came into effect in August. Thus, 100% of the projects created after the DPGL was enacted, fell in line with the concepts of privacy introduced by the law. Those that were in operation and that deal with customer data are being adapted, and the databases that concentrate the largest number of users - such as e-commerce, human resources, and suppliers - have already been reformulated.

This program, which relies on an exclusive budget, has been carried out at the parent company by the Data Protection and Privacy Department, which is subject to the Risk Management Executive Board. Within this structure, a team has been set up that is 100% dedicated to aligning practices with the regulations, working in synergy with other areas of the Company, such as Customer Service (SAC) and the monitoring of social media channels, in addition to exclusive data security

teams for each business. The progress and results, as well as the assessment of risks, management indicators and action plans, are reported monthly to the Executive Committee (Comex) on a monthly basis.

The initiatives follow the guidelines set out by the Privacy Policy adopted by the Group (available [here](#)). In order for the general concepts introduced in this document to be adapted to the specific nature of the operation, a separate policy on this matter has been developed for each business.

Among the actions taken, of particular note are the efforts to disseminate good data security practices among the employees. To this end, a specific training program has been created, which is now mandatory for all of the Group's employees. Launched in November, and to be continued in 2021, it has already reached more than 13,000 employees, about 30% of the total, by the end of 2020.



INNOVATING TO TRANSFORM

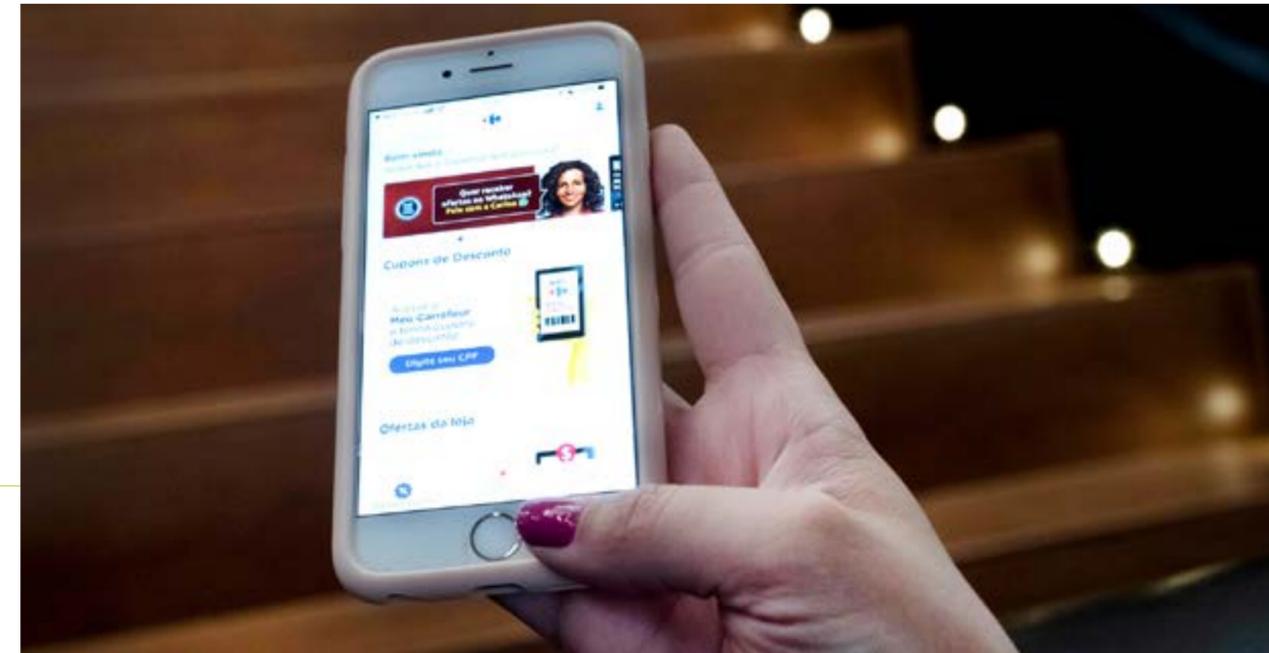
NEW APP MEU CARREFOUR

Carrefour customers can now count on a new loyalty program in 2020: the **app Meu Carrefour**. The benefits range from a complete rewards program to access to discounts and exclusive services. In addition to simplifying the shopping experience, the app offers a variety of features that guarantee low prices every time. Some of the features are as follows:

- ▶ **My Rewards.** Connected to all Carrefour service formats - stores, e-commerce or gas stations - it offers the possibility to **COLLECT CARREFOUR COINS, WHICH MAY BE EXCHANGED FOR BENEFITS**, such as discounts for purchases in the chain stores, or credits to be redeemed with partners of the program. If purchases are paid for using the Carrefour credit card, the customer earns extra coins.
- ▶ **Online Market and Shopping.** Through the application, the customer has the entire store at his/her disposal, and **CAN ACCESS ALL THE PRODUCTS** that Carrefour offers, from electro-electronic items to organic food.

2X was the growth
in the customer base
at the app, since
launch

75% of regular
customers in stores
are app users



- ▶ **Sampling.** Based on the customer's consumption habits within the app, Artificial Intelligence provides **SUGGESTIONS OF PRODUCTS AT A DISCOUNT.**
- ▶ **Scan&Go. 100% AUTONOMOUS SHOPPING EXPERIENCE**, in which the customer can use the cell phone camera to scan the barcode of each product and make the payment directly on the app, thus saving time and skipping the checkout line. Available in **30+ CARREFOUR EXPRESS STORES.**
- ▶ **Cybercook.** When the consumer searches for an ingredient through the app, the Artificial Intelligence provides suggestions for **FAST AND EASY RECIPES** that take that item, available on the **CYBERCOOK** portal. The engine also adds the recipe ingredients to the shopping cart.



#COMEREMCASA

Eating at home was quickly incorporated by Brazilian society in 2020, a habit that was amplified by the isolation imposed by the novel coronavirus pandemic. CyberCook - Grupo Carrefour Brasil's healthy and quality recipes portal - has witnessed this movement: Daily views of the website have seen a 140% increase in the period, on average, when compared to 2019.

In March, the portal launched **#ComerEmCasa**, a platform of recipes organized to facilitate the daily lives of those who face the challenge of reconciling the home office with household chores, including meal preparation. More than making recipes available, this initiative sought to offer solutions, so that people could prepare healthy dishes in a simple, fast, and fairly priced way. The options included, for example, recipes that are ready in 30 minutes, that leave little dishwashing to do, or that can be prepared with the kids.



#ComerEmCasa joins other features available on the portal:

- 1) **Detailed cost:** value of the recipe and portion, to contribute to the users' financial planning.
- 2) **Smart search:** allows you to choose recipes that include or remove certain ingredients, useful for those who have restrictions to some type of food. The search filters also allow the user to locate dishes by calorie ranges.
- 3) **Nutritional analysis:** all recipes are accompanied by data on the nutrients they contain and their caloric value.
- 4) **Use leftovers:** to promote zero food waste, it is possible to look for recipes that use ingredients left over from another preparation.

In 2020, CyberCook recorded:

+100,000
recipes

+1.2 million
registered users

+245%
in the search for healthy recipes

Increase in searches:

+70%
for nutritional information on recipes

+200%
for how to reuse ingredients

+44%
for vegan recipes

#ComerEmCasa, a platform of recipes organized to facilitate the daily lives.

ZERO WASTE

Every year, Brazil wastes 23.6 million tons of food, generating in each period a loss of more than R\$ 3 trillion. Combating food waste was one of the flagship initiatives adopted by CyberCook in 2020. To this end, the portal launched the “Aproveitômetro” (“Zero Waste Meter”) index, based on information collected in chats that the tool establishes with households.

Aiming to contribute to people’s awareness of this theme, the indicator will be disclosed quarterly, starting in 2021. The data considers the estimated savings based on the search for recipes with ingredients left over from other preparations. This methodology, for example, identified that between March and September 2020 - in view of the isolation measures and the greater number of people cooking at home - the savings generated by using ingredients from other recipes would reach more than R\$ 2 million.

13 Source: Empresa Brasileira de Pesquisa Agropecuária (Embrapa)

SAVINGS AND SUSTAINABILITY

The Aproveitômetro (“Zerowaste-o-meter”) index measures the savings generated to portal users, when using leftover ingredients from other recipes.



Source: CyberCook



5

Organizational and Financial Performance

Results by business

Wholesale

Retailing

Carrefour Bank

Economic and financial results

Capital Markets

Financial Highlights

Added value produced

IMPACTS AND RESULTS PRESENTED IN THIS CHAPTER
COVER THE FOLLOWING CAPITAL:

 **Financial**

Organization,
Management and
Compliance

Safety,
Health and
the Environment

People,
Diversity
and Inclusion

Society,
Relationship,
and Innovation

**Organizational
and Financial
Performance**

In 2020, the Grupo Carrefour Brasil recorded a strong economic and financial performance, confirming that an omnichannel and integrated ecosystem is capable of ensuring sustainable growth in any scenario.

The Company will continue to move forward to offer the greatest number of products at affordable prices to its consumers, a guideline reinforced with the announcement

of the acquisition of the Grupo Big, made in early 2021. The operation, after approval by shareholders and antitrust authority, will expand the traditional formats, especially cash and carry and hypermarkets, and the presence in regions where the Group has limited penetration, such as the Northeast and South of the country, but which show strong growth potential.

This chapter of the Annual Sustainability Report shows the progress made during the year by each of the Group's businesses, highlighting the most significant results. The first part of the text addresses the strategies adopted on each of the three fronts: Cash and Carry, Retail and Financial Solutions. Afterwards, a brief analysis of the Group's economic and financial performance is presented. The full version of this data is available on the Investor Relations website, [here](#).

AFFORDABLE PRICES TO YOUR CONSUMERS

AN OMNICHANNEL AND INTEGRATED ECOSYSTEM IS CAPABLE OF ENSURING SUSTAINABLE GROWTH IN ANY SCENARIO



In such a challenging year as 2020, we were able to watch the strength and resilience of our ecosystem. With social distancing as a practice to contain the advance of the COVID-19 pandemic, we witnessed changing habits, with people preparing their meals at home and shopping more and more through digital channels, which has directly impacted our operations.

We were prepared to meet this new demand. Personally, it was a very positive experience to witness the speed and dynamism with which decisions were made to meet the challenges that emerged, and the results of the outstanding work carried out by our team.

We have had several achievements, which include the change in the retail promotional model at the very beginning of the year, and the creation of Atacadão digital. More recently, we reformulated our e-commerce platform and launched our new app, whose initial results have already made us very enthusiastic. We have seen that our ecosystem, omnichannel and integrated, is robust enough to ensure sustainable business growth, even in a scenario as adverse as the one that took place in 2020.

It is important to emphasize that physical stores are a unique and extremely relevant asset to our ecosystem: Each store opened, in addition to increasing sales, is also a source of additional revenue for our Carrefour Bank, as well as an opportunity for the development and growth of our digital channels.

With the prospects for expansion that we have for 2021, we can look forward to another year of positive results, like those recorded in 2020. We have two very important strongholds for our future: A robust cash generation and a balance sheet with low debt, which provides us with the confidence to continue pursuing our strategies.

We want more customers, both individuals and companies, and we want to participate even more in the share of wallet of each of them. Our ecosystem is already very developed, but we want to continue complementing its value proposition, which will increase our chances of participating more in the purchasing decisions of our customers, and monetizing even more the recurrence that this omnichannel structure already provides.”

SÉBASTIEN DURCHON,
Chief Financial and Investor Relations Officer

RESULTS BY BUSINESS

CASH AND CARRY

Brazil's largest food retail cash and Carry, Atacadão has advanced in its digitalization strategy in 2020. It launched an e-commerce operation aimed at the B2B audience, and established partnerships with the delivery apps Rappi and Cornershop. (more information here)

Another fact that marked the Group's operations in 2020 was the acquisition of 30 Makro stores in the country, a purchase that is part of the strategy to accelerate the expansion of Atacadão in the region. In line with this directive, 20 stores were inaugurated in the period, of which six Makro units were converted and reopened. Two new wholesale units were also added to the chain. The pace of expansion is expected to accelerate even more in 2021, given the planned opening of organic stores at the same pace presented in recent years, in addition to the conversion of the other units acquired from Makro.

Evolution of online food sales

25%

of stores had a fast delivery service at the close of 2020.

185,000

clients using Rappi and Cornershop.

2%

of revenues come from online sales in stores where the service is available.

Atacadão stands out for its proposed value: offering the best prices for B2B and B2C customers. This differential is underpinned by a business model based on operational efficiency and cost discipline, which has translated into positive results: In 2020, gross sales grew by 23.2%, to

R\$ 51.8 billion,

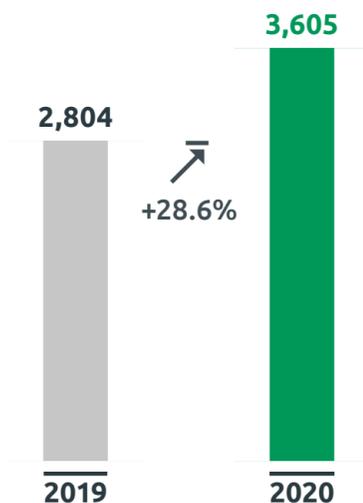
with a 28.6% increase in adjusted EBITDA.

Gross profit, in turn, came to

R\$ 7.0 billion,

representing a 19.4% rise year-on-year, with a gross margin of 15.0%.

ADJUSTED EBITDA PERFORMANCE (em R\$ million)



NATIONAL PRESENCE

Considered the “Best National Self-Service Cash and Carry”, by the Award ABAD (“Associação Brasileira de Atacadistas e Distribuidores de Produtos Industrializados” - Brazilian Association of Wholesalers and Distributors of Industrialized Products), Atacadão is present in more than 150 cities, providing services throughout the country, by means of two different formats:

CASH & CARRY: stores located in convenient access areas, aimed at catering to the diverse profiles and types of customers, from entrepreneurs, merchants and retailers, to final consumers (individuals). The stores count on large premises - with an average sales area of about 6,600 square meters - and a product mix that is appropriate for these customer profiles, comprising approximately 7,500 items (SKUs). With the addition of the 20 stores inaugurated in 2020, this format comprised a total of 206 branches at the close of 2020.

WHOLESALE: units strategically located to distribute food products to customers who seek large purchasing volumes, such as supermarkets, drugstores, hotels, inns, restaurants, bakeries, and small businesses in general. In a B2B (business to business) format, the 30 branches - two of which inaugurated in 2020 - rely on a telesales structure, a team of retailers, and are strategically located in the main regions of the country, aiming to facilitate the logistical delivery process and the pick-up of goods, and reach 5,000 municipalities.



RETAIL

A leading Brazilian food retailer, Carrefour has been pioneering major changes in the sector. Placing the customer at the center of decisions, in order to offer real savings and security when it comes to shopping, a new business model was announced for all formats in Brazil, in light of the context of the COVID-19 pandemic. Different from the traditional retail concept, focused on daily promotions, Carrefour introduced more extended periods of promotions for all product categories. For items ranging from groceries to perishables, it has established four major actions:

- ▶ **Feira Todo Dia (“Every Day Market”):** the entire assortment of fruits, greens and vegetables, is now offered on a weekly basis, as opposed to the previous practice, which was restricted to Wednesdays.
- ▶ **Mais Barato (“Cheaper”):** launched in 2020, the initiative offers items with the best price in the market for all essential categories.
- ▶ **Weekly Offers:** possibility to take advantage of special offers every day of the week, not only on a specific date.
- ▶ **Private label:** more than 2,700 items at competitive prices, ensuring customer savings. For further information, [click here](#).

In addition to its innovative positioning change in the food retail sector, Carrefour has been ramping up its digitalization process, by providing more and more technological and innovative tools to the customer. Since 2018, digital transformation has been part of the Grupo Carrefour’s global strategy, which has been investing heavily in both technology and innovation. In 2020, new advances have been achieved on this front: a new e-commerce platform was launched, completely redesigned, with a high-level performance in order management, marketplace structure, and in omnichannel services that connect the online operation with the physical stores (for further information, [click here](#)).



Another innovation in 2020 was the launch of the Meu Carrefour app, which connects the customer to all of Carrefour’s formats (hypermarket, supermarket, proximity stores or convenience stores, gas stations and drugstores, as well as food and non-food e-commerce). In addition to incorporating the new customer loyalty program, it features the “My Rewards” function. When buying in any of the formats, customers can accumulate coins and exchange them for several benefits, either in discount vouchers for purchases or to be used on program partners. Payments with the Carrefour credit card are also reverted into additional coins (for further information, [click here](#)).

New app Meu Carrefour

Customer base

2x larger
since launch

75%
of regular customers use the app

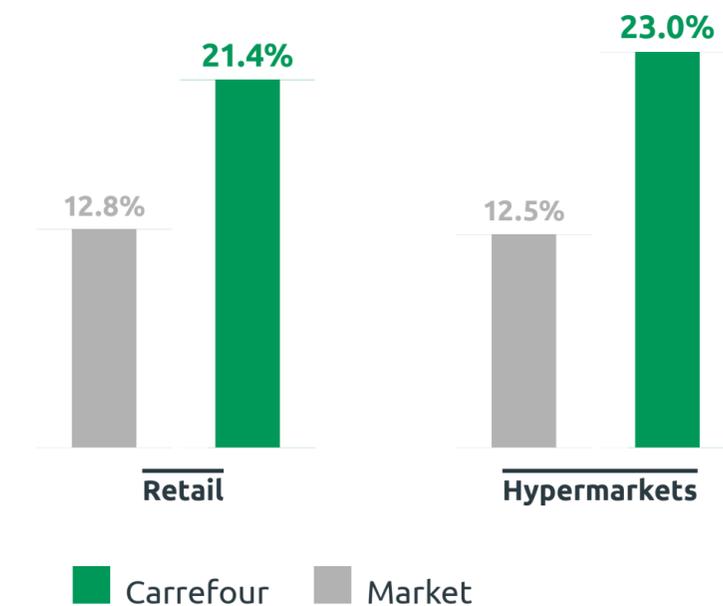
Such advances have occurred simultaneously with the continuing expansion of the outreach strategy. During the year, ten convenience stores (Carrefour Express) and two supermarkets were opened.

Driven by the new efficient promotional dynamics, a larger volume of food sales - with higher margins than non-food sales - and the evolution of the e-commerce business, Carrefour’s retail segment posted gross revenues of R\$ 22.9 billion, up 13.7% year-over-year. Adjusted EBITDA, in turn, registered a 48.1% growth, to R\$ 1.5 billion. Another highlight was the 1.5 percentage point gain in market share during the period, an above-market average growth.



MARKET SHARE IN 2020

Carrefour shows higher growth than competitors



Source: Nielsen
Methodology used by Nielsen may generate small differences versus reported figures.

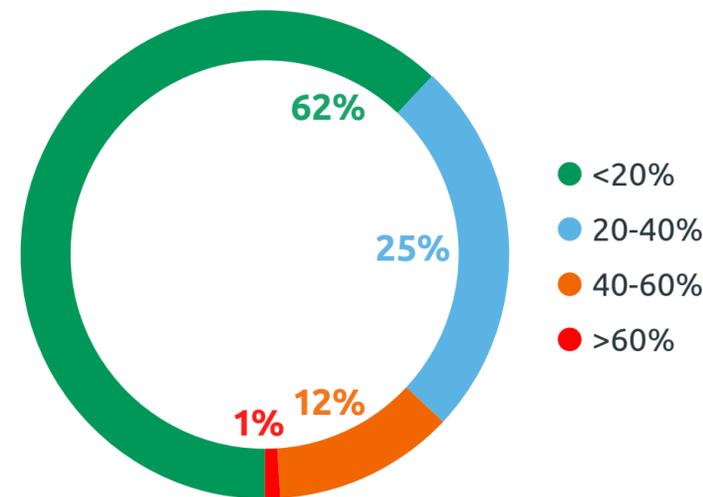
CARREFOUR PROPERTY

Many of the real estate properties that house the Grupo Carrefour Brasil’s operations throughout the country are company-owned. There are 290 own real estate assets, with 13.6 million square meters. In order to capture value from this portfolio, the Company uses a specific area: Carrefour Property, a distinctive feature of its operations. This business division is responsible for commercially exploring the points, managing, maintaining and modernizing the units, always with the purpose of enhancing the attractiveness of the premises and the best shopping experience for customers. The asset portfolio includes store real estate - 70% of the hypermarkets, for example, are owned by Carrefour -, in addition to:

- ▶ **143 SHOPPING GALLERIES**
- ▶ **2 SHOPPING CENTERS** in the city of São Paulo (districts of Butantã and Jardim Pamploa)
- ▶ **300 SQUARE METERS OF GROSS LEASABLE AREA**
- ▶ **+ 2,100 TENANTS**

With the purpose of capturing additional value from stores and galleries integrated to the real estate developments, 68 projects have been prioritized, in order to increase the exploited area:

OCCUPATION OF THE PRIORITIZED PROJECTS



The address that 45 years ago housed the first Carrefour Brazil store - in the Pinheiros neighborhood, in the city of São Paulo - will now house the “Alto das Nações” real estate complex, comprising a shopping center, residential and entertainment areas, and the **CARREFOUR HYPERMARKET**, with a new store concept, solutions, and differentiated shopping experiences. The real estate complex will house the **TALLEST CORPORATE TOWER IN BRAZIL, 216 METERS HIGH**, with mixed-service wings, including residential real estates, and a park with more than 32,000 square meters.

BANCO CARREFOUR

The only bank owned by a retailer in the country¹⁴, **Banco Carrefour is one of the main credit-card-issuing institutions** in Brazil, and in 2020 it was upgraded to the status of **Full-fledged Bank**, a format that makes it possible to speed up new initiatives, thus expanding the portfolio of financial products. In the role of **DIGITAL TRANSFORMATION AGENT** within the Group, the diversification of the range of products available to consumers has marked its performance in 2020, promoting more inclusion and access to banking services:

- ▶ **LAUNCH OF THE DIGITAL ACCOUNT**, the result of a strategic partnership with fintech company Ewally, expanding the portfolio of financial solutions and services to customers throughout the ecosystem.
- ▶ **ENTRY INTO THE ACQUIRING MARKET**, offering Atacadão's customers solutions, so that they can receive payments from their establishments or services through the APAG device. Solution available in 65 stores in 22 Brazilian states.

- ▶ **CREATION OF THE DIGITAL WALLET**, with a revolving credit line, offering convenience to customers for the payment of bills or the purchase of products. With the mobile payment format, the user can load his wallet with cash via bank deposit or bill payment. The digital wallet is already available in 100 stores.
- ▶ **GROWING OPERATIONS IN THE INSURANCE MARKET**, through a 100% digital platform for the sale of insurance policies, developed in partnership with the startup Suthub.

PERFORMANCE IN 2020:

R\$ 13.5 billion of credit portfolio, a 17% increase in the year.

157% of growth in sales of cards via digital channels.

33.5% increase in billings from the Atacadão credit card.

9.6% increase in billings from the Carrefour credit card.

2.933 billion in revenues from financial intermediation.

R\$ 353 million net income.

¹⁴ The GRUPO CARREFOUR BRASIL holds 51% of the institution's capital, and has a strategic partnership with Itaú Unibanco, which holds the remaining 49%.



Best financial institution to work for

Banco Carrefour was the best rated financial institution by Glassdoor in 2020, a portal where employees and former employees can anonymously rate companies. One of the factors that may have influenced this positive evaluation is the fact that the Institution adopts streamlined methods in 100% of its routines. People work in collaborative environments, which are distinguished by horizontal relationships, and abandon the traditional pyramidal and departmental design: collection, credit, products, etc. The dynamic methodology includes squads, autonomous and multidisciplinary work centers focused on one or more strategic goals (OKRs).



ECONOMIC AND FINANCIAL PERFORMANCE

CAPITAL MARKET

The Grupo Carrefour Brasil's shares¹⁵ are traded on B3's Novo Mercado, a listing segment that brings together companies that commit to adopting differentiated Corporate Governance practices.

Traded under the ticker CRFB3, the Company's shares integrate the portfolios of nine B3 indexes. One of them is Ibovespa, the main indicator of the Brazilian stock exchange market, which reflects the performance of the most traded stocks, in which the inclusion of Carrefour's shares occurred in 2020, in the theoretical portfolio that went into effect at the beginning of the year¹⁶.

¹⁵ Publicly-held company, listed under the corporate name Atacadão S.A.

¹⁶ On January 6, 2020.

CRFB B3 LISTED NM
IBOVESPA B3
IBRA B3
IBRX50 B3
ICON B3
IGC-NM B3
IGCT B3
ITAG B3
IVBX B3
MLCX B3

Stock performance

R\$ 19.39

Share price as at 12/30/20

Adjusted by dividends and interest on equity

R\$ 38.493 billion

Market capitalization as at 12/30/20

-15.9%

Share price performance in 2020

2.90%

Ibovespa appreciation in 2020

R\$ 5.694 billion

Average daily trading volume

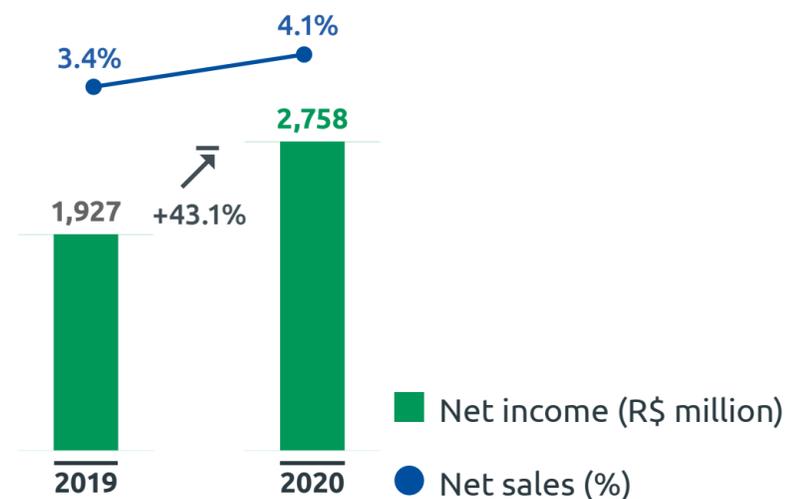
104%

Growth in the average daily trading volume, in relation to 2019

FINANCIAL HIGHLIGHTS

As already mentioned in this report, the year 2020 was marked by an unprecedented scenario, marked by the outbreak of the COVID-19 pandemic. As a result, there were restrictions on public circulation in the country, which affected consumption behavior, with more people eating at home. The food retail sector was also impacted by the strong inflationary trend in food products. In spite of this volatile environment, the remarkable business performance during the year has further consolidated the Grupo Carrefour Brasil's positioning as the leading food retailer in Brazil.

ADJ. NET INCOME GROUP SHARE (R\$ MILLION) AND % OF NET SALES



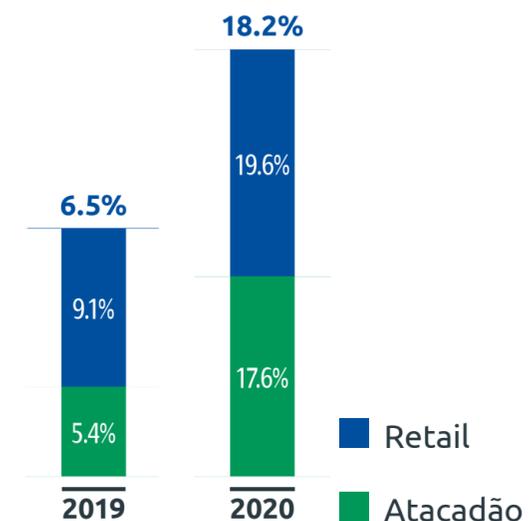
The Company reported gross sales growth of 20.1% (including petrol). On a same-store basis (like-for-like-LfL), growth excluding petrol was 18.2%, reflecting sales growth not only in physical stores, which showed gains in market share in some formats, but also in digital channels, demonstrating the strength of an integrated omnichannel ecosystem. The results were also driven by the opening of new Atacadão stores, including the conversion of six Makro stores, and the convenience store formats. All these movements combined contributed to a 4.1% profitability in the period, the highest margin since the Company's IPO in 2017.

Gross Sales

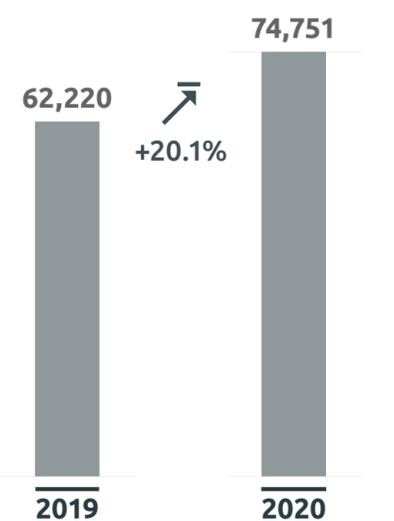
Overall gross sales for the year amounted to almost R\$ 75 billion, an increase of more than 20%, or 22% if petrol is excluded, with growth in same-store (LFL) sales of 18%. This increase is the result of a strong performance in both the cash and carry and retail segments. Atacadão posted a LfL growth of 19.6%, driven by the opening of new stores, coupled with the commercial strategy that was adopted in the middle of the year, aimed at maximizing volumes through greater competitiveness, which generated operational efficiencies. In the retail segment, LfL sales

climbed 17.6%, reflecting the strong sales momentum in this segment, particularly in the hypermarket format and in e-commerce, which have become a successful one-stop-shopping option amid the pandemic environment, and the expansion in proximity store formats.

CONSOLIDATED LFL (ex-petrol)



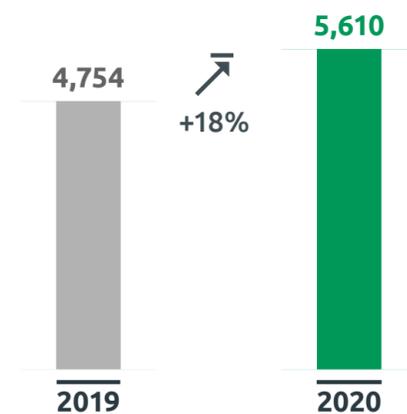
GROSS SALES (incl. petrol - R\$ million)



Adjusted EBITDA

The constant search for enhancing operational efficiency, coupled with a strong sales volume, was reflected in the EBITDA of R\$ 5.61 billion, up 18% from the previous year. This result was achieved through a strict cost control, in addition to structural changes in the retail model, which made it possible to reduce losses, stock-outs and a more effective digital marketing strategy.

ADJUSTED EBITDA
(R\$ million)

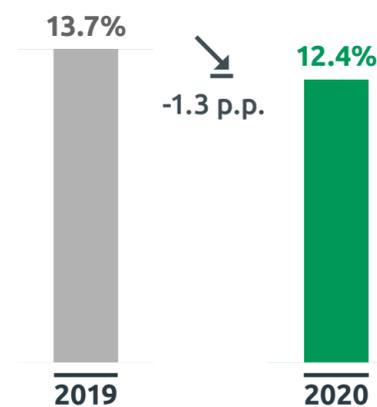


SG&A

Evolution as % of net sales.

Selling, general and administrative expenses (SG&A), as a percentage of net revenues, dropped by 130 bps, a result that also reflects the gains in both efficiency and productivity achieved in the period.

SG&A
(% of net sales)



VALUE ADDED GENERATED

[GRI 201-1]

In 2020, the Statements of Value Added (“DVA”), the direct economic value generated and distributed by the Company, totaled R\$ 12.88 billion. This was 19% more than in the previous year. The largest portion - R\$ 4.54 billion - was allocated to the payment of taxes, fees and contributions, followed by distribution to personnel (R\$ 3.80 billion) and remuneration of equity capital (R\$ 2.84 billion).

Em R\$ million	Consolidated	
	2020	2019
Revenues	78,543	66,035
Gross added value	12,876	9,887
Personnel	(3,804)	(3,380)
Taxes, fees and contributions	(4,454)	(3,536)
Remuneration of third-party capital	(1,622)	(727)
Remuneration of equity capital	(2,844)	(1,328)

The complete version of the economic-financial results is available [here](#).

GRI CONTENT SUMMARY

[GRI 102-55]

GRI STANDARDS	GRI TOPICS	DEFINITIONS	PAGE / ANSWER
TOPICS	102-14	Statement from senior decision-maker	3
	102-1	Name of the organization	16
	102-2	Activities, brands, products, and services	6, 18
	102-3	Location of headquarters	16
	102-4	Location of operations	16
	102-5	Ownership and legal form	16
	102-6	Markets served	18
	102-7	Scale of the organization	16
	102-8	Information on employees and other workers	72
	102-41	Collective bargaining agreements	76
	102-9	Supply chain	54
	102-10	Significant changes to the organization and its supply chain	54
	102-11	Precautionary Principle or approach	28
	102-12	External initiatives	10, 19
	102-13	Membership of associations	46
102-45	Entities included in the consolidated financial statements	Carrefour Comércio e Indústria Ltda. and subsidiaries, such as Comercial de Alimento Carrefour Ltda., E-media Informações Ltda., BSF Holding S.A., Banco CSF and Ewally Tecnologia S.A., among others, in addition to Pandora Participações Ltda. and subsidiaries.	

GRI STANDARDS	GRI TOPICS	DEFINITIONS	PAGE / ANSWER
GRI 102 - GENERAL DISCLOSURES	102-46	Defining report content and topic Boundaries	10, 11
	102-47	List of material topics	10
	103-1	Explanation of the material topic and its Boundary	11
	102-48	Restatements of information	9
	102-49	Changes in reporting	9
	102-40	List of stakeholder groups	9
	102-42	Identifying and selecting stakeholders	9
	102-43	Approach to stakeholder engagement	9
	102-44	Key topics and concerns raised	10
	102-50	Reporting period	8
	102-51	Date of most recent report	9
	102-52	Reporting cycle	9
	102-53	Contact point for questions regarding the report	9
	102-54	Claims of reporting in accordance with the GRI Standards	9
	102-55	GRI content index	127
	102-56	External assurance	This report was not submitted to a third party audit.
102-18	Governance structure	26	
102-16	Values, principles, standards, and norms of behavior	28	

MATERIAL TOPIC	GRI STANDARDS	GRI TOPICS	DEFINITIONS	PAGE/ANSWER
Combating structural racism	GRI 202: Market Presence 2016	202-1	Ratios of standard entry level wage by gender	76
	GRI 405: Diversity and Equal Opportunity 2016	405-1	Diversity of governance bodies and employees	74, 75
		405-2	Ratio of basic salary and remuneration of women to men	76
	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	11
		103-2	The management approach and its components	83
		103-3	Evaluation of the management approach	83
Worker health and safety	GRI 401: Employment 2016	401-1	New employee hires and employee turnover	77
		401-3	Parental leave	76
	GRI 403: Occupational Health and Safety	403-1	Occupational health and safety management system	35
		2018	Hazard identification, risk assessment, and incident investigation	36
		403-3	Occupational health services	35, 36
		403-4	Worker participation, consultation, and communication on occupational health and safety	35
		403-5	Worker training on occupational health and safety	37
		403-6	Promotion of worker health	36
	403-9	Work-related injuries	36	
	GRI 404: Training and Education 2016	404-3	Percentage of employees receiving regular performance and career development reviews	79, 80
	GRI 407: Freedom of Association and Collective Bargaining 2016	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	76

MATERIAL TOPIC	GRI STANDARDS	GRI TOPICS	DEFINITIONS	PAGE/ANSWER
Worker health and safety	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	11
		103-2	The management approach and its components	35
		103-3	Evaluation of the management approach	35
Client health and safety	GRI 416: Customer Health and Safety 2016	416-1	Assessment of the health and safety impacts of product and service categories	60
	GRI 417: Marketing and Labeling 2016	417-1	Requirements for product and service information and labeling	58
		417-2	Incidents of non-compliance concerning product and service information and labeling	58
		417-3	Incidents of non-compliance concerning marketing communications	58
	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	11
		103-2	The management approach and its components	56
		103-3	Evaluation of the management approach	60
Partnerships with local suppliers and civil society	GRI 204: Procurement Practices 2016	204-1	Proportion of spending on local suppliers	59
	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	11
		103-2	The management approach and its components	24, 101
		103-3	Evaluation of the management approach	24, 101

MATERIAL TOPIC	GRI STANDARDS	GRI TOPICS	DEFINITIONS	PAGE/ANSWER
Socio-environmental management of the suppliers	GRI 308: Supplier Environmental Assessment 2016	308-1	New suppliers that were screened using environmental criteria	43
		308-2	Negative environmental impacts in the supply chain and actions taken	43
	GRI 409: Forced or Compulsory Labor 2016	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	52
	GRI 414: Supplier Social Assessment 2016	414-1	New suppliers that were screened using social criteria	52
		414-2	Negative social impacts in the supply chain and actions taken	52
	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	11
		103-2	The management approach and its components	24, 43
103-3		Evaluation of the management approach	24, 43	
Awareness and access to healthy foods	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	11
		103-2	The management approach and its components	22, 24
		103-3	Evaluation of the management approach	22, 24
Innovation and digitalization	GRI 418: Customer Privacy 2016	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	108
	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	11
		103-2	The management approach and its components	22, 106
		103-3	Evaluation of the management approach	22, 106

MATERIAL TOPIC	GRI STANDARDS	GRI TOPICS	DEFINITIONS	PAGE/ANSWER
Circular economy	GRI 306: Waste 2020	306-5	Waste directed to disposal	64
	GRI 301: Materials 2016	301-3	Reclaimed products and their packaging materials	64
	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	11
		103-2	The management approach and its components	24, 61
		103-3	Evaluation of the management approach	24.61
Ecoefficiency	GRI 302: Energy 2016	302-1	Energy consumption within the organization	67
		302-3	Energy intensity	68
		302-4	Reduction of energy consumption	67
	GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundary	11
		103-2	The management approach and its components	24, 67
		103-3	Evaluation of the management approach	24, 67
	Climate change	GRI 305: Emissions 2016	305-1	Direct (Scope 1) GHG emissions
305-2			Energy indirect (Scope 2) GHG emissions	69
305-3			Other indirect (Scope 3) GHG emissions	69
305-4			GHG emissions intensity	69
305-5			Reduction of GHG emissions	69
GRI 103: Management Approach 2016		103-1	Explanation of the material topic and its boundary	11
		103-2	The management approach and its components	69
		103-3	Evaluation of the management approach	69

SASB CONTENT SUMMARY

FOOD & BEVERAGE SECTOR - Food Retailers & Distributors

TOPIC	CODE	ACCOUNTING METRIC	PAGE/ANSWER
Activity Metric	FB-FR-000.A	Number of (1) retail locations and (2) distribution centers	18
Management of Environmental & Social Impacts in the Supply Chain	FB-FR-430a.3	Discussion of strategy to manage environmental and social risks within the supply chain, including animal welfare	43
	FB-FR-430a.4	Discussion of strategies to reduce the environmental impact of packaging	64
Food Safety	FB-FR-250a.2	(1) Number of recalls, (2) number of units recalled, (3) percentage of units recalled that are private-label products	58
Product Health & Nutrition	FB-FR-260a.2	Discussion of the process to identify and manage products and ingredients related to nutritional and health concerns among consumers	56
Product Labeling & Marketing	FB-FR-270a.1	Number of incidents of non-compliance with industry or regulatory labeling and/or marketing codes	58
Data Security	FB-FR-230a.2	Description of approach to identifying and addressing data security risks	110

Organization,
Management and
Compliance

Safety,
Health and
the Environment

People,
Diversity and
Inclusion

Society,
Relationship,
and Innovation

Organizational
and Financial
Performance

CORPORATE INFORMATION

Grupo Carrefour Brasil

Rua George Eastman, 213

CEP 05690-905

São Paulo, SP – Brasil

www.grupocarrefourbrasil.com.br

CONTACTS

Investor Relations

(55 11) 3779-8500

ribrasil@carrefour.com

Sustainability

(55 11) 3779-8334

sustainability@carrefour.com

CREDITS

Coordination

Sustainability Officer

Textual and graphic production

Aiurú ESG

Text: Solange Kurpiel e Soraia Duarte

Layout and Infographics: Multi Design

Photos: Grupo Carrefour Brasil image bank



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