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AGREEMENT

ON SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

17 MARCH 2017

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Auchan Retail International and Uni Global Union

*Corporate social and environmental
responsibility agreement*

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Global Agreement On Social And Environmental Responsibility

Between

AUCHAN RETAIL INTERNATIONAL, a limited liability company, with share capital of 1,033,414,440 euros, and with its registered office located at rue du Maréchal de Lattre de Tassigny in Croix (59170), registered with the trade and companies register of Lille Métropole under number B 410 408 959, represented by Mr Wilhelm Hubner Chief Executive Officer and Mr Philippe Saudo Corporate Human Resources Director

Hereinafter referred to indifferently as "Auchan" or "Auchan Retail International"

And

UNI GLOBAL UNION with headquarters on Reverdi Avenue! 8, in Nyon (1260), represented by Mr Philip Jennings Secretary General and Mr Mathias Bolton Head of UNI Commerce Department

Hereinafter individually referred to as the "Party" and collectively as the "Parties"

Preamble

Since its founding in 1961, Auchan has grown upon a strong foundation of beliefs and strong values as well as a strong commitment to social responsibility.

Auchan Retail International seeks to be recognized for its ethical approach and as such applies the requirement of responsibility vis-à-vis its employees, its customers and suppliers, its shareholders, those living near its sites, the environment, and natural resources.

Building sustainable global development is indeed one of the greatest challenges facing society in the twenty-first century: to create wealth for the benefit of all by ensuring that inequalities are reduced while preserving the environment and peoples' health.

The company actively listens to its stakeholders and works on important topics: it pays attention to new CSR-related questions and to society's expectations in terms of CSR:

- With regard to each employee, Auchan's commitment is to promote professional and personal development, to practice participative and proximity management, to guarantee quality working conditions, to practice fair remuneration, to share the fruits of progress and to value diversity.
- With regard to each client, the project is to maintain a relationship of trust, to improve client purchasing power by developing accessible sustainable consumption, which we term a "responsible discount". To support this project, which offers innovative solutions for the consumption of tomorrow, the Auchan teams intend to develop a responsible supply and distribution system.
- At the same time, the aim is to develop and prove the company's commitment to society at the local level, by working with young vulnerable people living near its sites, particularly through group foundations, but also by assuming quality reporting and transparency for all CSR policies.

Unofficial translation

The company's approach, of which this agreement forms an integral part, aims to support a development model that combines operational performance and behavioral quality consistent with those responsibilities adopted vis-à-vis all of these stakeholders.

This responsibility implies broad involvement by all actors. This is why the drive for a rich and balanced social dialogue, based on trust between management on the one hand and employee representatives on the other hand is part of Auchan's values and identity.

This is the meaning of this agreement by which both Auchan Retail International and Uni Global Union, which represents the employees of the sector at the international level, create a forum for information and dialogue and affirm the importance of best commercial, social and environmental practices, across the globe where the business has a presence.

Auchan recognizes the role played by unions in defending and developing the interests of employees. UNI Global Union recognizes Auchan as an internationally responsible company, applying best practices in its employee relations.

This commitment is voluntarily assumed by the company and comes in addition to its compliance with the legal and regulatory obligations of the countries in which it operates. The universal standards listed below are respected by all the company's entities globally.

Auchan Retail International's subsidiaries, while taking into account the economic, social and cultural realities specific to their national frameworks, strive to ensure the best possible application of this agreement in a spirit of continuous progress based on the provisions set out in this agreement.

Both Signatory Parties confirm their willingness to ensure that the internationally recognized standards and principles contained in this Agreement, whether or not required by national laws or regulations, are applied in all of the Company's business sites worldwide.

Auchan Retail International and Uni Global Union also affirm their willingness to develop constructive relationships based on trust in order to ensure the best implementation of this agreement.

Unofficial translation

I - AGREEMENT SCOPE

This Agreement applies to Auchan Retail International, acting on behalf of and for the account of its affiliated entities, and to Uni Global Union.

"Related entities" means companies controlled by Auchan Retail International for the purposes of Article L 233-3 of the French Commercial Code or for which Auchan Retail International has the right to appoint a majority of the members of the decision-making body or the ability to ensure effective management.

This agreement establishes an overall framework and aims to confirm the relationship of trust between Auchan Retail International and UNI Global Union

It is not intended to replace any national legislation, and/or collective agreement, and/or company agreement, and/or habit or unilateral rule that is currently in operation or that could be negotiated thereafter, when their provisions are more favorable.

Both parties seek to promote social dialogue

- o Auchan Retail International and UNI Global Union engage in a global process of social dialogue based on listening and trust. They are convinced that dialogue and consultation remain the best methods for resolving problems or diverging positions. Thus, the Parties undertake to prioritize seeking solutions through dialogue over any other form of action.

- o Auchan and UNI Global Union share the same commitment to prioritize rich and balanced social dialogue. This dialogue, which is part of the Auchan culture, is expressed through participatory approaches involving employees and regular negotiations with employee representatives.

- o Auchan respects the right of its employees to form or join a union of their choice.

Auchan will remain strictly neutral regarding the choice of its employees to join, continue, modify or renounce their membership of a union of their choice.

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Auchan is committed to a non-discrimination approach based on union commitment

Auchan will not prevent union recognition or union representation. A union will be recognized as long as it meets the minimum legal requirements for recognition under local or national laws. Conversely, neither UNI nor its affiliates will discriminate, victimize, or retaliate against Auchan employees as they exercise their freedom not to join a union.

II- RESPECT FOR FUNDAMENTAL RIGHTS

In line with its CSR policy, Auchan affirms its commitment to respect the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises and the UN Global Compact.

Moreover, in line with the principles set out in its Code of Ethical Conduct and its general environmental and social principles, in particular those of the Global Compact, Auchan confirms its commitment to ensuring compliance with ILO Declaration on Fundamental Principles and Rights at Work and which concern:

- The non-use of forced or compulsory labor

The company condemns and refrains from using all forms of forced or compulsory labor

- Prohibition of child labor and the exploitation of children

The company refrains from employing children younger than the age corresponding to the end of compulsory education in the country concerned.

- Combatting discrimination in employment

The company refrains from any discrimination in labor relations. In particular, it undertakes to recruit women and men according to their own skills and to treat everyone with dignity, in a non-discriminatory way and being respectful of their age, social background, family status, gender, sexual orientation, disability, political, trade union, and religious opinions, and any ethnic membership,

This policy must contribute to the diversity of people and cultures in the different entities of the company.

- Respect for freedom of association and the principle of collective bargaining

The company recognizes its employees' freedom of association, representation, and union membership in accordance with the principles of freedom of association and protection of the right to organize.

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Employees are free to join or not to join a union of their choice. The company recognizes the right to organize and bargain collectively in accordance with national and local laws.

III- AUCHAN RETAIL INTERNATIONAL - COMMITMENTS

1. Health and safety at work

Auchan makes the health and safety of its employees a priority. Ensuring safe working conditions and controlling risks are daily concerns for Auchan, which is committed to creating a framework that respects the health of its employees, regardless of their functions and the types of risks associated with them.

2. Employment policy

As part of its development, Auchan puts active employment policies in place:

- o It favors the direct employment of employees based on a permanent employment contract or similar.
- o It undertakes to apply a fair wage policy comparable to the best standards of the profession in the country concerned.
- o It federates employees along the company's progress by redistributing the fruits of labor as part of its 'landmark' policy of sharing, (Shareholding, sharing progress, sharing results)
- o It defines the independence and responsibility of all employees as one of the essential keys to its performance. As such, Auchan promotes training, internal promotion, multi-tasking, internal mobility, both geographical and professional, and especially in terms of developing the employability of its employees.
- o It ensures a balanced workforce age pyramid and pays attention in this context to the working conditions of its older employees.
- o It is committed to being particularly attentive to its direct employees' health and health risks cover.

3. *Combatting discrimination*

Auchan refuses to accept any form of discrimination and affirms its desire to respect diversity and promote equal opportunities.

Since 2006 Auchan has been a French signatory to the Charter for Diversity and endorses the provisions of ILO Convention 111, which rejects any impairment of employment related equal opportunities or treatment based on race, gender, skin color, religion, political or trade union opinion, national or social origin.

4. *Suppliers and subcontractors relationships*

o In 1997, Auchan established a code of business ethics, which was updated in 2014, and now comprises two sections:

- a code of business ethics that is included in commercial contracts, and which specifies the obligations of suppliers and subcontractors: compliance with laws and regulations and fundamental human rights.

- a collaborator code of conduct that all purchasers sign

This responsible purchasing approach integrates the quality and social requirements that stem from earlier audit references.

o In cases of proven undeclared outsourcing, suppliers in the global supply chain working for Auchan are immediately removed from the reference listings

In addition, any serious failures on their part to comply with legislation on:

- employees health and safety
- fundamental human rights,

consequently result in the termination of commercial business relations in compliance with contractual obligations.

5. *Risk control and respect for the environment*

o *Risks related to products and services*

Auchan makes controlling its business risks a priority.

Its precautionary approach is based on anticipation, observation of best practices, and scientific and technological intelligence on these risk

Unofficial translation

issues, in particular those concerning its own-brand products.
Auchan applies these precautionary principles with an ongoing concern to improve customer safety and health protection.

o The environment

Auchan complies with relevant international and national legal requirements, in particular principles 7,8, and 9 of the Global Compact.

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Auchan is developing a dual prevention approach against known risks and it seeks to limit its environmental impact by:

- Developing a rigorous energy policy.
- Working on the sustainable management of raw materials, especially towards zero waste and promoting the circular economy
- Responsibly using resources from ecosystems

IV- AGREEMENT APPLICATION ARRANGEMENTS

o Upholding arrangements

This agreement, which applies to Auchan Retail International, reinforces and extends the company's social practices and is not intended to replace or interfere with local dialogue or bargaining processes.

Auchan undertakes to communicate this agreement to the different Auchan Retail outlet managers in the various countries and to inform employee representatives and employees of its existence and the commitments it provides.

Auchan will use the necessary means to make all managers aware of the meaning and purpose of this agreement.

Auchan Retail International and UNI Global Union agree to inform each other whenever necessary of any difficulties encountered and to provide the best solutions possible.

Auchan and UNI Global Union jointly consider that solving problems should be done as close as possible to where they arise.

However, Auchan Retail International and UNI Global Union agree that in cases where difficulties persist or there is a failure to implement this agreement, then these situations may be managed and settled by the parties.

o Confidentiality and image

In order to build quality good-faith industrial relations, the Parties undertake to ensure that the information, and/or documents exchanged between the Parties related to this agreement (hereinafter called the "**Information**") cannot be disclosed or reproduced in any form or

Unofficial translation

medium whatsoever except with prior express consent of the Party secured by this obligation.

Any breach of this obligation may be subject to legal proceedings before all relevant competent jurisdictions.

Unofficial translation

The signature of this agreement cannot disadvantage either Auchan or UNI, compared to their competitors or partners. Everyone must seek to respect the image of the other party.

In this context, the press and social networks are used in accordance with local regulations. They may not be used to disseminate erroneous information or cause prejudice to either Party. Both UNI and Auchan agree not to publish (in any media whatsoever) statements on trade unions and/or employment matters concerning Auchan or UNI until the relevant party is informed of the issue and has had sufficient time to respond and if necessary, resolve it. UNI will encourage affiliates to do the same.

Any communication on strategic topics will be subject to prior information from the other party and cannot in any case relate to non-public information and that which is considered confidential. In such a case, prior written authorization from the other party will be required.

The purpose and spirit of this Agreement is for both parties to discuss in good faith and to attempt to resolve those misunderstandings and/or disputes that usually arise in professional relationships. Accordingly, failure to comply with the above rules that violates the purpose and intent of this Agreement will result in the immediate termination of this Agreement.

V- MONITORING AND REVIEW OF THE AGREEMENT

Auchan Retail International and UNI Global Union agree to monitor the correct application of the agreement on an ongoing basis.

In order to evaluate the agreement's implementation and to manage any difficulties related to the application of this agreement, the representatives of Auchan Retail International and the representatives of UNI Global Union will meet once a year.

VI- VALIDITY OF THE AGREEMENT

This Agreement is concluded for a period of 4 years from the date of its signature.

In the year preceding the date of expiry of the Agreement, and at the latest 6 months before this expiry date, the signatory Parties will meet in order to collectively carry out an overall assessment of the application of

Unofficial translation

the Agreement, with a view to its eventual renewal.

Each signatory party may terminate this Agreement with six months' notice.

This agreement will be translated, according to a list defined jointly with UNI Global Union, into the languages of the countries where the Auchan Retail International sites are located.

In the event of any contradiction between the translated versions and the French agreement, the provisions of the French agreement shall prevail.

Only the French version of the agreement is valid between the signatory Parties.

VII - DISPUTE RESOLUTION

Any dispute arising out of, or in connection with, the validity, interpretation, and performance of this Agreement shall be settled amicably by the Parties. If the Parties fail to reach an agreement, the dispute shall be referred by one or other of the parties to a jointly appointed independent arbitrator, the decision of whom shall be made binding. The costs of arbitration will be borne equally.

Croix, 17 March 2017

Two copies

For Auchan Retail International
Mr Wilhelm Hubner Managing Director (Signature)

And

Mr Philippe Saudo Head of Corporate Human Resources (Signature)

For Uni Global Union
Mr Philip Jennings General Secretary (Signature)

And

Unofficial translation

Mr Mathias Bolton

Head of Uni Commerce Department (Signature)