



## CASINO, GUICHARD-PERRACHON

A French *société anonyme* (joint stock company) with share capital of €167,886,006.48

Registered headquarters: 1, cours Antoine Guichard,  
42000 Saint-Etienne – France

Registered in the Saint-Etienne Trade and Companies Registry under number 554 501 171 Saint-Etienne

### Executive Compensation

*(Published pursuant to the Afep-Medef Corporate Governance Code)*

At its meeting on 13 March 2019, based on the Appointments and Compensation Committee's opinion, the Board of Directors of Casino, Guichard-Perrachon set the components of the Chairman and Chief Executive Officer's compensation as follows:

#### FINANCIAL YEAR 2018

The Board of Directors has set the amount of variable compensation due to the Chairman and Chief Executive Officer for 2018, payment of which will be contingent on approval at the Annual General Meeting on 7 May 2019, as provided in Article L. 225-100 of the French Commercial Code (*Code de commerce*).

Note that 2018 variable compensation was set at 130% of fixed compensation if all objectives were met (corresponding to a target amount of €624,000) and at no more than 167.50% of fixed compensation if the objectives were exceeded (corresponding to a maximum amount of €804,000). The variable compensation was based on achieving:

- Three quantitative financial objectives representing 90% of the target amount, i.e. €561,600, and up to €741,600 in the event of outperformance, each counting for one-third, namely organic growth in consolidated net sales, organic growth in consolidated trading profit and growth in consolidated cash flow from continuing operations ;
- One CSR quantitative objective representing 10% of the target amount, i.e. €62,400, which is the same as for 2017 but was made more challenging for 2018. Achievement is now be measured based on the average scores obtained by Casino in the assessments made by three non-financial rating agencies, FTSE Group, Vigeo Eiris and DJSI, plus the introduction of a target level (average of Casino's last scores on 7 March 2018) and a minimum level (average of Casino's scores over the last four financial years).

However, at the Chairman and Chief Executive Officer's request, the Board of Directors agreed the downward adjustment of the target amount of the 2018 variable compensation of the Chairman and Chief Executive Officer, as applied for the Group's main senior executives, thus reduced from €624,000 to €612,000. The maximum amount is reduced accordingly from €804,000 to €788,100.

On that basis, the Board of Directors reviewed the achievement rates obtained with respect to these objectives and set the gross amount of the 2018 variable compensation at €357,740, representing 74.53% of fixed compensation.

## **FINANCIAL YEAR 2019**

Pursuant to the terms of Article L. 225-37-2 of the French Commercial Code, the principles and criteria for determining, allocating and granting the fixed, variable and exceptional components comprising the aggregate compensation and benefits of any kind that may be awarded to the Chairman and Chief Executive Officer in respect of this position were set by the Board of Directors on 13 March 2019 based on the Appointments and Compensation Committee's opinion, and will be submitted for approval at the Annual General Meeting on 7 May 2019.

All of these components will also be presented in the 2018 Registration Document and in the Notice of Meeting of the Annual General Meeting in the section presenting this resolution.

### Fixed Compensation

The Board of Directors decided that the gross fixed compensation payable to the Chairman and Chief Executive Officer in 2019 would remain at €480,000, unchanged since 2013.

### Annual Variable Compensation

The Board of Directors also set the terms and conditions for determining the Chairman and Chief Executive Officer's variable compensation for 2019.

The amount of variable compensation for 2019 will remain set at 130% of fixed compensation if all objectives are achieved (corresponding to a target amount of €624,000) and at no more than 167.50% of fixed compensation if the financial objectives are exceeded (i.e., a maximum gross amount unchanged at €804,000). There is no guaranteed minimum amount. Variable compensation remains based on achieving quantitative objectives only, as follows:

- Three quantitative financial objectives, representing 90% of the target amount, i.e., €561,600, and up to €741,600 in the event of outperformance, each counting for one-third, namely comparable growth in consolidated net sales, organic growth in France Retail trading profit and growth in France free cash flow. These objectives are aligned with Casino's key operating and financial objectives for 2019 and are consistent with the Group's quantitative objectives applicable to Executive Committee members with respect to their 2019 bonus.

For each criterion, a minimum achievement threshold, a target level corresponding to achievement consistent with Group objectives, and an outperformance level compared to the target, have also been set. Variable compensation will vary linearly between the minimum and maximum thresholds.

- One CSR quantitative objective, representing 10% of the target amount, i.e. €62,400, which is the same as for 2018, attainment of which is measured on the basis of the scores obtained by Casino in the assessments made by three non-financial rating agencies, FTSE Group, Vigeo Eiris and DJSI. The target level will be the average of the last scores obtained in 2017, i.e., 72.67/100 (as the scores obtained in 2018 were lower) with a minimum level corresponding to the average of Casino's scores over the last four years, i.e., 68.06/100.

### Long-Term Variable Compensation

In accordance with market practices and the recommendations of external firms consulted about the preponderance of variable compensation in the make-up of aggregate compensation, but also to assess the Group's performance over a longer term, the Board of Directors decided once again to grant him conditional long-term variable compensation for 2019, the target amount of which remains a maximum set at 100% of his fixed compensation (i.e., €480,000).

For each of the two criteria used, a minimum threshold, a target maximum amount corresponding to performance consistent with the Group's objectives are also be pre-established, since no minimum amount is guaranteed.

The future payment of this compensation is contingent on the Executive's presence condition and on the achievement of two performance conditions assessed at the end of a three-year period (2019-2021), each of which will count for 50% of the target compensation. The two performance conditions are:

- Change in Total Shareholder Return (comparison between the average closing share price in the last 120 trading days of 2018 and that of 2021, taking into account the amount of dividends per share paid during the period) relative to that of nine European food retail companies. The amount is calculated on a linear basis according to the position of the Company's TSR in the sample, with a minimum achievement rate equal to the median level of the sample and a target maximum rate equal to the top ranking company in the sample.
- Change in the Group's average EBITDAR/net sales ratio. A target level, which is also the maximum level, and a demanding minimum achievement threshold have been set, with a linear progression between the two. EBITDAR replaces EBITDA in the ratio following the application of IFRS 16.

Saint-Etienne, 21 March 2019