



## CASINO, GUICHARD-PERRACHON

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### AUDIT COMMITTEE CHARTER

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The Audit Committee of Casino, Guichard-Perrachon was established by the Board of Directors at its meeting of 4 September 2003, pursuant to its decision to change its corporate management structure to that of a French *société anonyme* (joint-stock company) with a Board of Directors. The Committee was created to continue the work of the previous Audit Committee established by the Supervisory Board on 28 October 1994.

On 10 March 2004, the Audit Committee adopted a charter compiling and describing the rules applicable to its organisation and operations, as well as the powers and duties assigned to it by the Board of Directors. It also includes the corporate government principles that the Company has decided to implement.

The Charter is also modified on a regular basis in order to comply with the provisions set by French legislation and European regulations, as well as with the Afep-Medef Code's recommendations.

The Audit Committee is responsible for assisting the Board of Directors in reviewing and approving the annual and interim financial statements, as well as in the context of any event bearing a potentially significant impact on the Company or its subsidiaries. Within this framework, the Audit Committee “acting under the authority of the Board of Directors, is responsible for following up on issues pertaining to the preparation and auditing of accounting and financial information”.

## **I. ORGANISATION AND OPERATIONS OF THE AUDIT COMMITTEE**

### **1.1. Membership**

The Audit Committee has at least three members, two-thirds of whom are independent within the meaning of the criteria set out in the Afep-Medef Code, and of whom at least one has relevant skills and experience in financial, accounting, or statutory auditing matters. The members are appointed by the Board of Directors. Company executives may not be members of the Committee.

Members are appointed on an entirely personal basis and may not be represented by proxy.

The Chairman of the Audit Committee is also appointed by the Board of Directors and must be independent within the meaning of the criteria set out in the Afep-Medef Code. Barring extraordinary circumstances, the office of Committee Chairman may not be held for more than three consecutive years.

The Board of Directors determines the duration of the Audit Committee members' terms of office, without prejudice to said members' rights to resign before their respective terms expire or the Board of Directors' right to remove them from office.

### **1.2. Meetings**

The Committee meets at least four times per year at the initiative of its Chairman, who may also arrange any additional meetings, as required.

The Committee may also meet at any time if requested by at least half of its members, the Chairman of the Board of Directors, or the Chief Executive Officer. Meetings are held at the venue specified in the notice of meeting given by any means by the Chairman or any person he or she appoints to do so on his or her behalf.

The members of the Audit Committee must attend all meetings, it being specified that, if a given member is unable to attend a meeting in person, he or she may participate via any means of telecommunication. The Chairman, or any Committee member to whom authority has been delegated for that purpose, draws up an agenda and sends it to each Committee member before the meeting.

Meeting minutes are prepared under the Chairman's authority and are sent to the Committee members.

The Chairman of the Committee reports to the Board of Directors on the Committee's work, research and recommendations. The Board of Directors has absolute discretion to decide whether or not to act on such recommendations.

The Audit Committee is assisted by the Secretary of the Board of Directors in the preparation and organisation of its meetings.

### **1.3. Resources**

1.3.1. Upon their appointment or at their request, the members of the Audit Committee receive specific information regarding the Company's and the Group's accounting, financial and operational details.

- 1.3.2. The Audit Committee can rely on the cooperation and participation of all functional departments of the Company and its subsidiaries including, but not limited to, the Finance, Accounting, Internal Control, Internal Audit, Management Control, and Legal departments.
- 1.3.3. The Audit Committee is granted the financial and physical resources needed to carry out its duties, the costs of which are borne by the Company.
- 1.3.4. All members of the Audit Committee have the right to be reimbursed for any expenses incurred while exercising their duties. Additionally, the Board of Directors may grant a specific allowance or additional attendance fees to the Audit Committee's members.

#### **1.4. Authority and powers of the Committee**

- 1.4.1. The Audit Committee has the authority to obtain, from all executives and employees, any information, memoranda and analyses on the Company and its subsidiaries that it deems necessary to perform its duties. After informing the Chief Executive Officer, the Committee may also contact and meet with any executives of the Company and its subsidiaries, as well as with the Statutory Auditors of the Company or its subsidiaries, insofar as may be required.

The Audit Committee may conduct, or instruct the Chief Executive Officer to conduct, any investigation or any audit-related assignment on any of the issues for which it is responsible.

Together with the Chief Executive Officer and the functional departments, the Audit Committee can draft any methodological document useful in the fulfilment of its duties.

- 1.4.2. The Audit Committee has the authority, if deemed necessary, to call upon the advice or opinion of any independent consultant or expert.

The Audit Committee may invite the aforementioned consultants or experts to its meetings. It may also decide, insofar as may be required, to invite any person of its choice to its meetings. However, only Committee members can take part in the voting process.

- 1.4.3. The authority granted to the Audit Committee must not have the effect of delegating to said Committee any powers vested in the Board of Directors by law or in the Articles of Association, or reducing or restricting the Chief Executive Officer's powers.

## **II. ROLE AND DUTIES OF THE AUDIT COMMITTEE**

The Audit Committee is responsible for assisting the Board of Directors in reviewing and approving the annual and interim financial statements, as well as in the context of any transaction, occurrence, or event bearing a potentially significant impact on Casino, Guichard-Perrachon or its subsidiaries in terms of commitment and/or risk.

In this respect, and in accordance with the provisions of Article L. 823-19 of the French Commercial Code (*Code de commerce*), the Audit Committee, acting under the authority of the Board of Directors, is responsible for following up on issues pertaining to the preparation and audit of accounting and financial information.

Accordingly, without prejudice to the authority of the administrative and executive bodies, the Committee is responsible for monitoring:

- the process for preparing financial information,
- the effectiveness of internal audit and risk management systems,
- Statutory Auditors' engagements and status.

## **2.1. Review of the accounts and the financial statements**

- 2.1.1. As part of its role of supervising the process for preparing accounting and financial information, the Audit Committee reviews the Company's and the Group's annual and interim financial statements, together with the accompanying reports before they are approved by the Board of Directors. It ensures that the financial statements are consistent with the information available to it and assesses the appropriateness of the accounting principles applied and their compliance with the accounting standards in force.

As part of its role of supervising the process for preparing financial information, it provides recommendations, where applicable, to guarantee the integrity of that information.

The Audit Committee must review the financial statements at least two days before the Board of Directors.

It reviews the quality and comprehensiveness of the information provided in the draft of the annual report prepared alongside the financial statements.

The Committee is therefore responsible for informing the Board of Directors on how the Company's and the Group's financial statements are prepared and on the internal control mechanisms in effect during their preparation.

The Committee reviews the procedures for approving the financial statements and the nature, scope and outcome of the work undertaken by the Statutory Auditors for the Company and its subsidiaries.

When the interim and annual financial statements are submitted for approval, the Group's finance team informs the Audit Committee of any significant off-balance sheet risks and commitments.

- 2.1.2. Together with the Statutory Auditors, the Committee also reviews the results of their audits, any potential issues they may have encountered in completing their work and, where necessary, any differences between assessments by the Accounting and Finance departments and/or the Internal Auditing department.
- 2.1.3. The Committee may read and review all financial statements prepared by the Company's subsidiaries, including income statements, balance sheets, notes, financing statements, cash and debt positions, and off-balance-sheet commitments. It may prepare or request any report or analysis related thereto.
- 2.1.4. The Committee analyses the main accounting matters, particularly those pertaining to complex or unusual transactions, or those subject to significant interpretation.

It keeps abreast of legal and regulatory developments, as well as the changes and adaptations necessary for accounting standardisation, and assesses their impact on the financial statements.

Where necessary, and subject to applicable non-disclosure rules, it liaises with the Audit Committee and the Statutory Auditors of the companies that control Casino.

- 2.1.5. The Committee may review the press releases drafted by Senior Management on the annual and interim financial statements. It checks that they are consistent with accounting records and statements.

The Audit Committee may also review any other financial information disclosed to financial analysts and rating agencies.

## **2.2. Statutory Auditors**

- 2.2.1. The Audit Committee organises the procedure for selecting the Company's Statutory Auditors. In this respect, it advises the Board on whether or not to initiate a request for proposals. It supervises this request for proposals, as necessary, and approves the specifications and the selection of firms under consideration.

It makes a recommendation on the candidates to be presented for appointment or renewal by the Annual General Meeting, which is sent to the Board of Directors and prepared in accordance with applicable regulations.

The Committee also receives information on the selection procedures implemented by the Group's subsidiaries.

- 2.2.2. The Audit Committee ensures that the Statutory Auditors comply with the independence conditions defined under the applicable regulations. In this respect, it annually collects their statements of independence, reviews their relationships with the Company and its subsidiaries, reviews their fees and provides an opinion on said fees. It reviews, as necessary, the risks associated with the Statutory Auditors' independence and the risk management measures in place to mitigate said risks.

- 2.2.3. The Committee approves services other than the audit of the financial statements (“non-audit services”) that may be provided by the Statutory Auditors or members or their network in accordance with the applicable regulations. It defines the approval procedure for such services in accordance with the conditions set forth by the relevant authorities, where applicable. The approval procedure is appended to this Charter.

- 2.2.4. The Audit Committee monitors the progress of the Statutory Auditors' work. It meets with the Statutory Auditors to examine the scope of their engagement, their audit plan and their collaboration with the various Accounting, Finance and Internal Auditing departments.

It reviews and assesses the Statutory Auditors' results, the content of the reports on the results of the audit of the financial statements prepared for the Committee in accordance with the applicable regulations, their opinions and recommendations, as well as the course of action taken in response to these recommendations.

- 2.2.5. The Audit Committee liaises with the Statutory Auditors on a regular basis. It may, as necessary, meet with the Statutory Auditors without the Company's representatives being present, and is required to do so at least once per year.

- 2.2.6. The Audit Committee ensures that the joint statutory audit is carried out effectively.

- 2.2.7. The Audit Committee also reports to the Board of Directors on the results of the audit engagement, the way in which this engagement contributed to improving the soundness of the financial information, and the role the Committee played throughout this process.

### **2.3. Monitoring of the effectiveness of internal control and risk management systems**

- 2.3.1. The Audit Committee monitors the effectiveness of the internal control and risk management systems, as well as the effectiveness of internal auditing, if applicable, regarding procedures applicable to the preparation and processing of accounting and financial information, while ensuring that its independence is not called into question. It examines the Company's exposure to financial and non-financial risks. With respect to non-financial risks, it may draw on the work of the Governance and Social Responsibility Committee.
- 2.3.2. The Committee is responsible for ensuring that the Company and its subsidiaries have well-structured and well-adapted internal audit, accounting, and legal departments able to identify, prevent, assess, manage and control the risks, anomalies, inconsistencies, or any dysfunction that could potentially have an adverse impact on the Company's accounting and financial information and assets.

As such, the Audit Committee makes sure the internal control mechanism overseeing the preparation and treatment of accounting and financial information is functioning properly. Therefore, it oversees the identification, analysis and evolution of risks over time, as well as the actions taken to manage these risks. In this respect, it reviews the reports prepared by management and internal auditors on the effectiveness of the financial control, financial reporting and risk management systems. It ensures that any action plans are properly implemented.

The Audit Committee also meets with the Chief Executive Officer, the Internal Audit department, and the Statutory Auditors to discuss the existence, reliability, and effectiveness of internal control and risk management systems. It ensures that the control systems are based on generally accepted standards (COSO, AMF, etc.).

When applicable, the Statutory Auditors inform the Audit Committee on the nature and significance of any alleged errors detected in the financial statements, and on any notable internal control weaknesses relative to the procedures for preparing and processing accounting and financial information.

- 2.3.3. Together with the Chief Executive Officer and the Internal Audit Director, the Audit Committee reviews the operational methods and organisation of the Group's Internal Audit department. It also reviews the structure of its internal auditing for Group and local audits, and the coordination of all audit services.
- 2.3.4. The Audit Committee ensures that the Internal Audit teams face no restrictions or obstacles in carrying out their duties. It is also informed of any new appointments or replacements in the Internal Audit department's senior staff.

The Audit Committee assesses the effectiveness of audit systems implemented within the Group, as well as their relevance and the quality of the methods, mechanisms, and procedures employed. It ensures that the Internal Audit teams have enough resources of sufficient quality to perform their duties, and that their internal audit meets applicable independence criteria (particularly concerning their respective hierarchical positions within the Group).

- 2.3.5. The Audit Committee reviews the Group's internal audit plan(s). It participates in the preparation of audit programmes and monitors their implementation; it reviews the reports drafted by the auditors and, if applicable, by any consultants or experts, as well as the recommendations made and actions taken by the Board of Directors or the senior executives of the departments concerned.

The Audit Committee ensures that sufficient importance is placed on risk assessment by the Internal Audit department in its work organisation and planning process.

- 2.3.6. The Audit Committee reviews the information in the management report concerning the internal control and risk management procedures as well as the corresponding Statutory Auditors' reports, where necessary.

- 2.3.7. The Audit Committee liaises with the Group's Internal Audit Director on a regular basis.

## **2.4. Monitoring legal compliance**

- 2.4.1. Senior Management, the Group's Legal department and the Advisor on Prevention and Security (*Conseiller pour la Prévention et la Sécurité*) keep the Audit Committee informed, on a regular basis, on the most significant issues relating to legal and regulatory compliance mechanisms. It is kept abreast of any developments concerning key ongoing disputes and any financial provisions related thereto.

- 2.4.2. When applicable, the Audit Committee reviews the reports and discussions concerning auditing assignments carried out at the Company or subsidiary level with respect to legal prevention and security.

In addition, the Audit Committee may, if deemed necessary, ask the Group's Legal department to review any issue relating to the prevention and detection of anomalies or irregularities in the Group's management.

## **2.5. Prior review of related-party agreements**

The Audit Committee is responsible for reviewing the agreements and transactions between Casino, Guichard-Perrachon or any of its wholly-owned subsidiaries (“Subsidiary”)<sup>1</sup> on the one hand, and a related party on the other. The procedure is triggered whenever the individual or aggregate amount of such agreements and/or transactions with the same related party exceeds, in a given financial year, (i) €10 million per transaction and, beyond the aggregate €10 million threshold, (ii) in €1 million increments for all further transactions.

Related parties are:

- (i) any company that is exclusively or jointly held, whether directly or indirectly, excluding Subsidiaries;
- (ii) any company accounted for by the equity method in the consolidated financial statements;
- (iii) any company that directly or indirectly controls Casino, Guichard-Perrachon.

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<sup>1</sup> “Subsidiary” refers to any company in which Casino, Guichard-Perrachon holds a 100% equity interest, minus the minimum number of shareholders required for certain types of companies, and the number of shares held by Group executives and employees within a 5% limit.

However, the procedure does not apply to related-party agreements and transactions that concern, in particular, routine business transactions carried out in the ordinary course of the Group's business (for example, purchases/sales of goods, leasing of commercial space and franchise or affiliation contracts) or the payment or grant of a security or financial guarantee, unless the payment does not follow the standard operating procedure in place within the Group.

This prior review is governed by a specific charter prepared by the Audit Committee and approved by the Board of Directors.

## **2.6. Procedure for evaluating agreements qualified as at arm's length**

Lastly, in accordance with the procedure for identifying and reviewing arm's length agreements adopted by the Board of Directors and governed by a specific charter prepared by the Audit Committee and approved by the Board of Directors, the Audit Committee reviews those agreements qualified as at arm's length and reports thereon to the Board of Directors on a yearly basis. Every year, the Audit Committee also determines whether the procedure for identifying and reviewing arm's length agreements in force remains appropriate to the Company's needs and proposes any necessary changes to the Board of Directors.

## **2.7. Exceptions to the restrictions on the powers of Senior Management**

The Committee may be asked to express an opinion on exceptions to the restrictions on the powers of Senior Management as provided for in Article 8 of the Board of Directors' Internal Rules, which may be permitted in exceptional circumstances. If an exception is granted, the Chairman and Chief Executive Officer may, after the Audit Committee has expressed its opinion, carry out any transaction in an amount not to exceed 15% of consolidated equity as assessed at the previous year-end.

## **2.8. Audit Committee reports submitted to the Board of Directors**

- 2.8.1. The Audit Committee reports to the Board of Directors:
- . on the Company's consolidated financial statements and related reports, on a semi-annual and annual basis,
  - . at the request of the Board or at its own initiative, on any other responsibilities periodically assigned to it.

It also submits reports, studies and other investigations it has conducted.

Whenever applicable, the Audit Committee may express an opinion or make a recommendation to the Board of Directors for the Board to evaluate and act on as it sees fit. It must also inform the Board as soon as possible regarding any problems it encounters.

- 2.8.2. The Audit Committee serves as an intermediary between the Board of Directors, the Statutory Auditors of the Company and its subsidiaries, and the Internal Audit department.



## **2.9. Other responsibilities of the Audit Committee**

- 2.9.1. The Board of Directors may request that the Audit Committee carry out any other assignment in connection with its role as defined in this Charter.
- 2.9.2. The Audit Committee regularly checks that its duties, as defined in this Charter, are carried out under satisfactory conditions. Periodically, it assesses the adequacy and relevance of this Charter relative to the needs and objectives defined by the Board of Directors together with the Governance and Social Responsibility Committee.

## **III. LIABILITY OF THE COMMITTEE'S MEMBERS**

The Audit Committee's members bear no additional liability with respect to their duties other than that already borne by the members of the Board of Directors.

## **IV. APPROVAL OF THE AUDIT COMMITTEE CHARTER**

This Charter was approved by the Board of Directors at its meeting on 10 March 2004 and subsequently amended by the Board of Directors, most recently on 25 March 2020.

The Board of Directors reserves the right to modify, supplement or amend this Charter, if necessary, at the Audit Committee's request or on its own initiative.

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