

Energy Policy

1. Introduction

Energy management represents a strategic pillar for Auchan Retail, both from a sustainability and business perspective. At the corporate level, our common goals around **People, Planet and Profit** have taken into consideration the energy topic, being embedded into business Key Performance Indicators, as well as our overall sustainability strategy.

Our decarbonization strategy is the main framework through which we track our progress in terms of energy performance. Auchan Romania has developed an extensive action plan (the Climate Project) containing our commitment to reduce greenhouse gases emissions on Scope 1, 2 and 3 with science-based reduction targets, aligned with the Paris Agreement. We are committed to reduce greenhouse gases emissions on Scope 1 and 2, **by 46% until 2030, compared to 2019 levels.**

Our continuous efforts to reduce energy consumption of our sites in the world and at the local level (Romania) started in 2015 (with COP21 - Paris Agreement - Auchan's commitment). They are also illustrated by our engagement to have our stores certified ISO 50001 on the perimeter of our *hypermarkets and supermarkets* by 2023. This certification will allow us to continuously measure and improve our energy capabilities through an integrated management system.

2. Stakeholders

This policy targets both internal & external stakeholders. At company level, the subject of the policy directly involves the leadership of the company, as well as the extended technical, procurement, CSR, financial departments, and, to a larger extent, all our employees.

Our external stakeholders that are impacted by this policy are: energy regulatory bodies (central and local), energy/environmental NGOs, consumers, local communities, shareholders, business associations and suppliers.

In terms of internal stakeholders, the primary goal is to promote and implement the efficient use of energy in all processes. For external stakeholders, our policy aims to raise awareness on the importance of this topic for our company, to promote collaboration on the topic and offer a range of products that are produced in an energy-efficient manner.

Within the Climate Strategic Committee (with core pillars dedicated to: Refrigerants, Energy, Product & Transportation), there will be dedicated sessions focused on Strategic Energy topics. From an operational point of view, the follow-up of the energy policy, especially on energy reduction, is carried out through a monthly Energy Operational Committee.

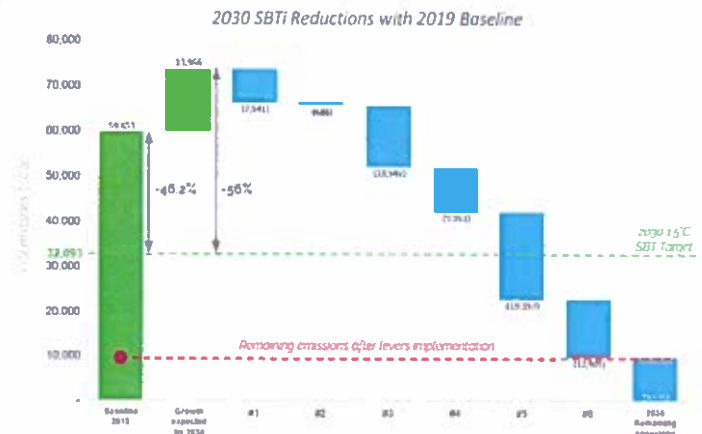
3. Commitments

Auchan Retail Romania focuses on the following decarbonization levels related to energy management, directly connected to our decarbonization strategy developed at group level:

Decarbonization levers

- #1. Energy Efficiency projects Electricity (-20% vs 2020)
- #2. Energy Efficiency projects Gas (-20% vs 2020)
- #3. Improvement in fugitive emissions (-90% vs 2019)
- #4. On-site generation (PV) (20% by 2030)
- #5. Pan-UE PPA (60% by 2030)
- #6. Guarantees of Origin buffer

Projected reduction of CO₂e emissions between 2019 and 2030 after implantation of these levers is higher (-84%) than SBTi minimum requirements.



A. Energy efficiency projects, focusing on the reduction of energy consumption through innovative energy efficiency technologies and equipment. Our goal for 2030 is to reduce energy consumption by 20% until 2030, compared to 2019 levels through energy efficiency projects:

- HVAC
- LED lighting
- Cold production management
- Monitoring, reporting and optimization of consumption through commercial decisions/business models.
- Encourage improvement of energy management among employees through appropriate training (with annual recurrence).
- Constant engagement with customers, through information and awareness.
- ...

B. Improvement of fugitive emissions by changing the refrigerant system (switch from freon to CO₂).

C. Renewable energy production: until 2030, we target to have 20% of our consumption from on-site generation, by installing photovoltaic panels on our stores.

D. Green energy acquisition (PPA - Power Purchase Agreement and Certificates of Guarantees of Origin) - in order to achieve our 100% green energy target in our consumption within the 2025 - 2030 timeframe. Auchan will also acquire green energy through PPA, as well as ensure this percentage through the acquisition of

Guarantees of Origin. Our main goal is to meet this target as soon as possible, depending on market conditions & opportunities and evolution of the regulatory framework. Additionally, we will prioritise the purchase of energy efficient equipment, for new installations and for replacements.

We are committed to taking the necessary measures and implementing digital solutions for monitoring and reporting all the above mentioned KPIs.

4. Monitoring and reporting

We constantly assess the evolution of energy performance in Auchan locations and report our progress related to energy consumption and greenhouse gases emissions. We comply with all legal requirements and report monthly consumption to authorised central and local authorities, and through our group non-financial report. We also report energy-related aspects on a voluntary basis, such as the energy consumption for Auchan locations and energy greenhouse gases emissions through Auchan Romania Sustainability Report.

5. Conclusions

Auchan Retail Romania is committed to enhance energy performance and will take all necessary measures to support this policy. We are also committed to taking the sustainability dimension into account in the processes of opening new stores and introducing "green" criteria in the creation and remodelling of our store concepts (hyper, super etc.) and business models in general in order to achieve and fulfil our commitments.

Signed at 20.12.2022 2022


Ionut Traian Ardeleanu

