



quality
local service
social
responsibility
respect

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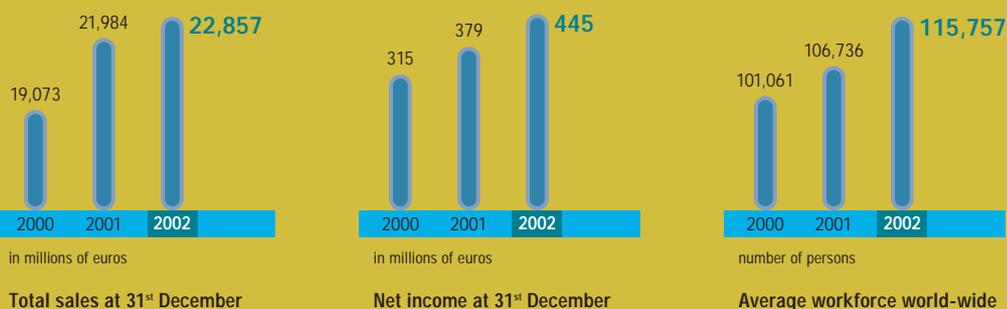


PROFILE OF THE CASINO GROUP

Casino is a multi-format retail group of international stature, with a store base totalling over 8,000 outlets as of December 2002, in particular 286 hypermarkets, 2,447 supermarkets, 4,256 superettes, 885 discount stores and 240 restaurants.

In France, the Group operates under a variety of banners: Géant hypermarkets, Casino, Franprix/Leader Price and Monoprix supermarkets, Petit Casino, Spar, Vival and Eco Service superettes, and Casino Cafétéria restaurants. The Group sells both food and non-food products. It has marketed its own brand since 1901, and this now includes nearly 7,000 lines, 2,000 of which are food products on sale in all the networks (hypermarkets, supermarkets and convenience stores).

As of 31st December 2002, the Group employed over 206,000 people⁽¹⁾, nearly 76,000 of them in France.



(1) Including companies incorporated by proportional integration or equity accounting to 100%, in particular CBD in Brazil, Exito in Colombia and Laurus in the Netherlands (since 1st July 2002)



CHRISTIAN COUVREUX

Chairman of the Management Board

In a generally difficult economic climate, the financial year 2002 has been highly satisfactory for the Casino Group. This success is due first and foremost to the confidence of its customers and the quality of its staff. It is due also to the Group's values and its human dimension.

For over a century, Casino has been practising its retailer's trade with dedication and ambition. Service to the customer, respect for people and the environment, sensitivity to dialogue and the duty to share: the retailer is at the centre of dealings between people. He is also at the focus of the issues that we now call sustainable development: balanced economic growth which will bring benefits to mankind in an equitable manner without exhausting the resources of our planet.

The pursuit of sustainable development demands dedication, conviction and solidarity. It is on these principles that the Group, faithful to the spirit of its founder, Geoffroy Guichard, has based its development. To trade responsibly in relation to our employees and our customers, but also to the community and the environment - this is the unceasing commitment of Casino.

For these reasons, I am proud to present to you our first sustainable development report. This report is primarily a survey of the situation, summarizing the sustainable development issues affecting Casino and the progress made so far. It is a first step, not yet perfect, but vital for setting out our policy, our principal achievements and our objectives for the coming years. It is also a tool for progress which will help us from year to year to gauge how far our sustainable development processes have advanced: we have already made a special effort to include in this first edition a selection of indicators relating to our business in France. Next year, the report will be extended to cover the international business of the Group. It is also a tool for dialogue between Casino and all its stakeholders, employees, customers, suppliers and others whom we are anxious to associate with our approach. I enjoin all of you to let me know your opinions, so that we may continue to make progress together.

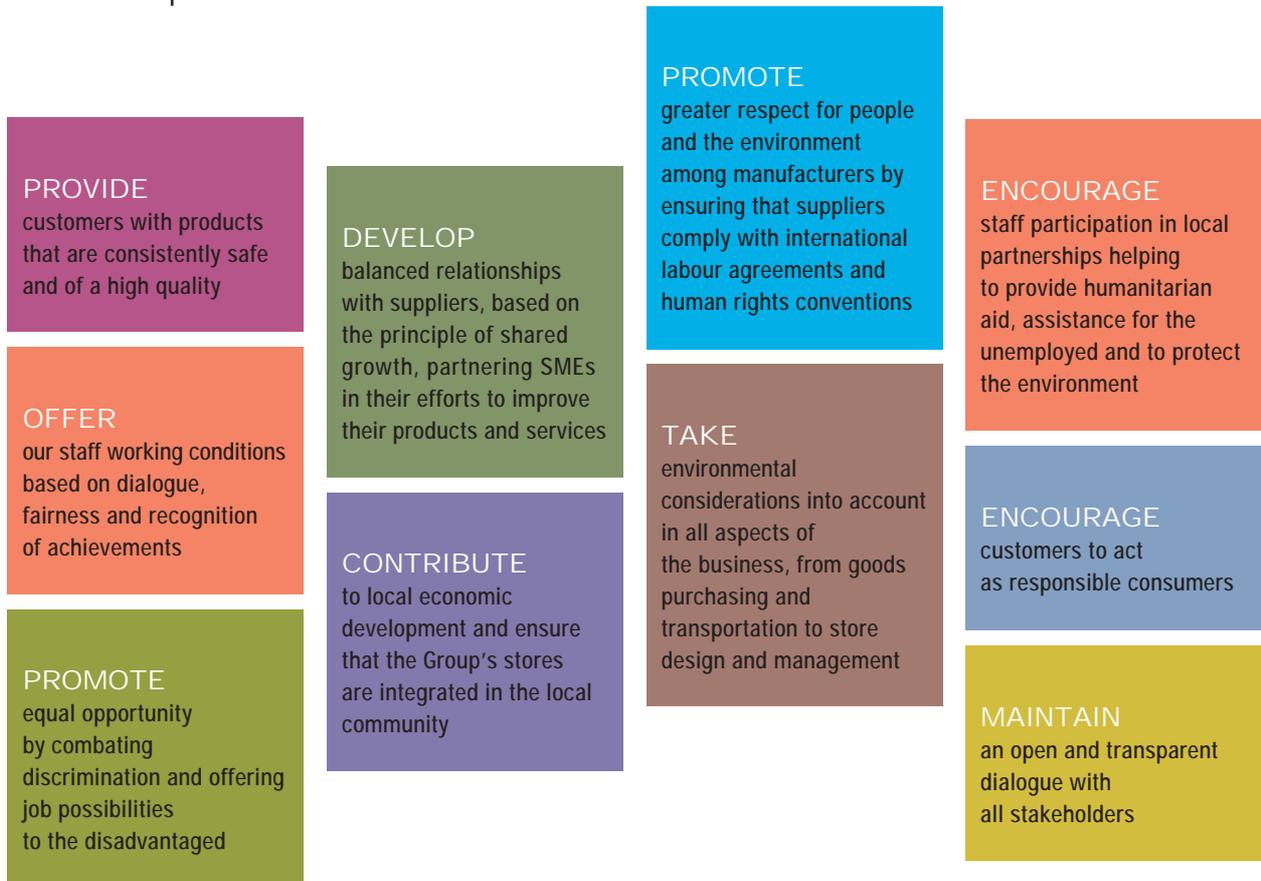
Now a century old, the Casino Group that Geoffroy Guichard founded remains true to the values that have underpinned its success:

quality, local service, social responsibility, respect

The Group is proud of its values, and aims to found its future development on ten priority commitments towards its employees, its customers, its shareholders and all who have a stake in the Group. These commitments are set out in

the Sustainable Development Charter.

The Group will:



HISTORY OF SOCIAL AND COMPANY POLICY

1898 Foundation of the Group	1916 Family allowances (made compulsory by law in 1932) Profit sharing	1929 First professional training courses	1986 Incentive scheme agreement	1989 Foundation of Pierre Guichard training institute
1904 Establishment of the provident and life assurance fund	1923 Pension fund	1934 Foundation for large families	1987 Creation of <i>Casino Chances</i> (help with business creation)	1993 1 st agreement with the Ministry for Urban Affairs

SUSTAINABLE DEVELOPMENT ORGANIZATION AND PROCESS

The Casino Group has built its success, thanks to the versatility of its people and the commitment of all its staff, on a foundation of basic but essential values. From its earliest days, Casino has always preferred action to talk. Its initiatives in the fields of quality, ethics and solidarity have always been significant and undertaken with a long-term view. Today, the Group aims to improve co-ordination of its endeavours and to communicate a consistent message of its achievements with respect to all who daily contribute to making Casino a responsible retailer. The procedure on which we have embarked consists on the one hand in displaying what the Group has already achieved, and on the other in implementing the most appropriate methods and plans for improvement.

A cross-departmental Sustainable Development Committee

To ensure the success of its sustainable development programme and present its commitments more visibly, both internally and externally, the Group has set up a special organization with responsibility for formulating and implementing its commitments. This Committee is composed of 25 experts drawn from the various branches of management, both executive (quality, human resources, purchasing, marketing, communication, urban policy and training) and operational (the hypermarket, supermarket and convenience divisions, cafeterias, purchasing centre and logistics). It prepares plans of action for the sustainable development of the Group and provides a means for taking into account the ambitions, achievements and constraints relating to all the sectors of activity in the Group.

Corporate governance

The principles of corporate governance of the Group are described in detail in the Annual Report for 2002. Casino is directed by a Management Board which reports to a Supervisory Board, under the chairmanship of Antoine Guichard, and is made up of 14 members. The Supervisory Board is supported by three specialist committees: the Audit Committee, the International Development Committee and the Appointments and Salaries Committee.

Continuous dialogue with stakeholders

The Group is a member, in particular, of WBSCD, CSR Europe, IMS and Admical. Casino's commitment is also evident in its membership of numerous agencies for integration into the job market, for the protection of children or cultural development aid. The Group collaborates with other organizations in a constant endeavour to confirm its commitment and multiply its efforts in the field of social and environmental action.

WBSCD : World Business Council on Sustainable Development
 CSREUROPE : Corporate Social Responsibility Europe
 IMS : institute for sponsorship and solidarity

In the remainder of this report, Casino's partners in matters of sustainable development will be indicated with the mark:



1994
 Creation of *Starter*, a Casino staff association for the professional reintegration and employment of young people

1997
 With *FACE*, creation of *ADES* (association for the development of service jobs)

1998
 Establishment of a service for Urban Policy - Employment - Solidarity

1999
 Launch of *Handipacte* project
 Creation of the post of SME Director

2000
 Creation of ethical committee

2001
 Creation of the *Ecoles du Soleil*
 Launch of first social and supplier audits
 Establishment of business development contracts with SMEs

2002
 Creation of *EMC* ethical charter
 Incorporation of the ethical charter into 100% of referencing contracts
 2nd agreement with the Ministry for Urban Affairs

A man with dark, curly hair and sunglasses on his head is smiling broadly while pushing a metal shopping cart. He is wearing a light-colored jacket over a white shirt and dark blue overalls. The background is a bright, slightly blurred supermarket aisle.

ACTING AS RESPONSIBLE RETAILERS

Because our customers need transparency
on the conditions of manufacture and production of the products that they buy,
Casino makes an undertaking

Quality, choice of production channels, traceability, respect for producers and the environment. Highly selective criteria are applied every day to guarantee that the products we buy for consumers are safe, healthy and produced with respect for Human Rights.

PRODUCTS OF QUALITY TO BE CONSUMED WITH CONFIDENCE



In application of the precautionary principle, Casino decided in 1997 to exclude GMOs and their derivatives from all its own-brand goods. Following two regulations introduced in 2000, the Quality Manager of the purchasing centre has sent all its suppliers a questionnaire to take stock of all ingredients (including flavourings, additives

and manufacturing aids) that might be derived from or contain GMOs. Every year, an independent laboratory checks that Casino's own-brand products are free from GMOs and/or additives and flavourings produced from GMOs. An annual programme of checks is carried out on some hundred products.

The Casino Group was the first retailer to possess its own brand, with the aim of guaranteeing choice and quality to its customers from the beginning. As early as 1928, the Group introduced an expiry date on its food products. In 1932, Casino performed the first qualitative analyses on its products in its own internal laboratory.

Today, the quality of Casino products remains our permanent commitment. The Group has introduced into all its business a systematic quality procedure founded on:

Production specifications with strict requirements incorporating the Casino Quality Agreement.

Rigorous selection of suppliers, based on tastings of samples and flavour analyses in the case of food products,

and upon tests of performance, effectiveness and safety for non-food products.

The production site audit, indispensable before Casino approval is granted, in the course of which Casino's quality engineers review numerous criteria such as the condition of the premises, safety regulations, hygiene, control of manufacture, environmental policy, etc., and draw up progress plans.

Follow-up audits of corrective actions conducted regularly on the production site.

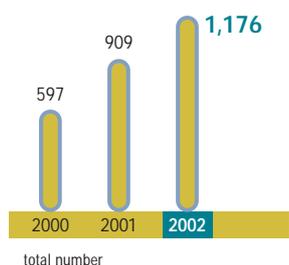
Continuous checks on products put on sale, carried out by independent laboratories on random samples taken in the stores.

An alert system with rapid response, enabling a product to be withdrawn or recalled at any time.

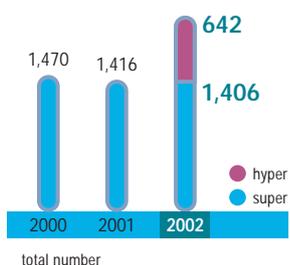
Numerous tastings and consumer tests, enabling us to keep a continuous check on the consistency of product quality levels.

Integrated customer service with a free-phone number set up in 1992, awarded the France Telecom trophy for telephone reception in 2000, and a guarantee: "Satisfaction or double your money back".

Casino Cafeterias, with their Good Food Manifesto, support this same quality requirement and undertake to promote healthy, balanced eating at all times.



Production site audits



Store audits (except convenience)

EQUITABLE RELATIONS WITH OUR SUPPLIERS

Objective: sustainable growth for our partners

In a demanding economic and competitive climate, Casino has undertaken a course of action aiming to establish the conditions for sustainable growth for all its partners. In practical terms, the objectives are as follows:

To give SMEs the clearest possible view of predictable market movements and the strategy followed by the Group in this context.

To constantly improve interchange between SMEs and the teams of the Group, especially through the purchasing centre.

To facilitate the development of the most dynamic SMEs, either by promoting their own brands, or through improvement of their industrial resources and know-how through Casino brand products.

To share the expert skills of the Group's staff with its partners on matters of cardinal importance such as the switch-over to the Euro, consumer safety and the continual changes in regulations.

To contribute to the economic development of the regions where we have establishments by giving preference to local and regional goods.

Practical initiatives

To pursue these objectives effectively, the Group's everyday operations take in several initiatives:

A newsletter, "Growth", distributed to all its suppliers.

An immersion programme for buyers in the SMEs.

Systematic reception of any SME that requests it: this enabled over 200 new enterprises to market their products in 2002.

Regular meetings with the organizations representing the SMEs in the form of workshops, with the aim of proposing improvements for the future (in trade relations, information systems, logistics, etc.).

Assistance with international development: creation, in collaboration with Auchan, of a joint organization named International Retail and Trade Services (IRTS).

Mediation in the event of disputes.

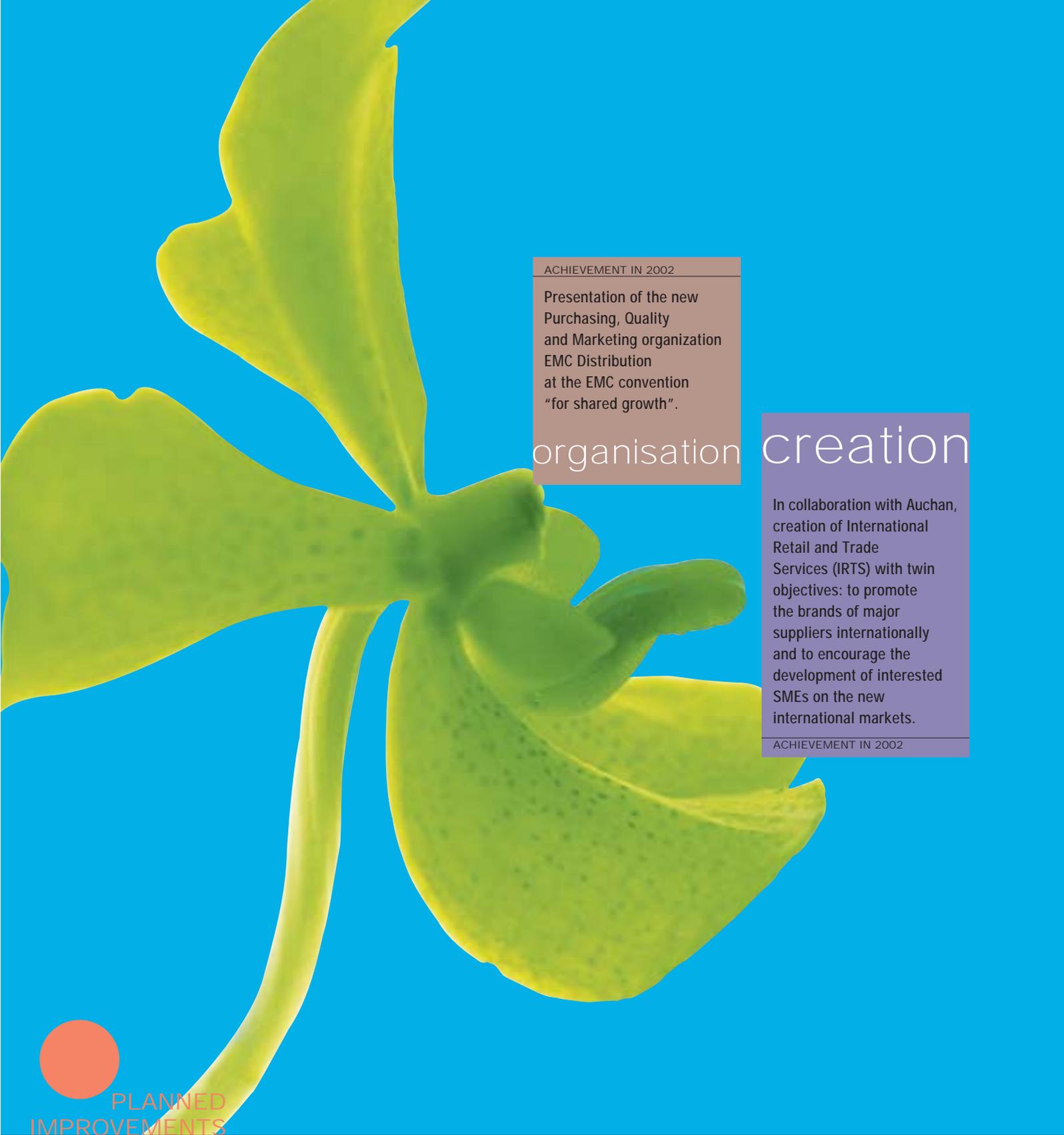
Establishment of a "Business Development Contract": in 2001, the Group set up a unique initiative, central to its SME programme. A Business Development Contract is an agreement signed between Casino and a SME, for a minimum period of two years, with an undertaking to achieve at least 20% growth in turnover over the period of the contract. This equitable procedure is advantageous to both partners:

- to the SME, since it guarantees a development plan and strong business growth;
- to Casino, since it optimizes the supply chain, the availability of specific products and the development of regional products.

59 business development contracts have already been signed, to a total value of 100 million euros in sales. Results surpass initial expectations, as the signatory SMEs have seen their turnover increase by **an average of over 26% in 12 months**. Business development contracts represent, on average, an **extra 1 million euros turnover** for the SMEs.



ACTING
AS RESPONSIBLE
RETAILERS



ACHIEVEMENT IN 2002

Presentation of the new Purchasing, Quality and Marketing organization EMC Distribution at the EMC convention "for shared growth".

organisation creation

In collaboration with Auchan, creation of International Retail and Trade Services (IRTS) with twin objectives: to promote the brands of major suppliers internationally and to encourage the development of interested SMEs on the new international markets.

ACHIEVEMENT IN 2002



PLANNED IMPROVEMENTS

To renew 80% of business development contracts and sign further contracts.

To organize new SME immersion operations in 2003.

To take advantage of the resources of IRTS.

CLOSE ATTENTION TO SUPPLIERS' WORKING CONDITIONS

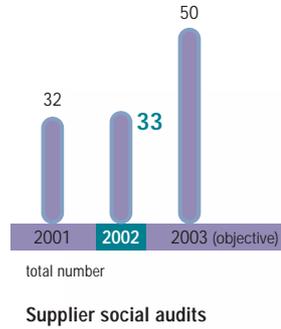
Since the year 2000, Casino has been pursuing a programme of action at its purchasing centre aimed at promoting and verifying respect for Human Rights among its suppliers in developing countries:

An ethical committee was set up in 2000 to promote practical action on the basis of the Supplier Ethical Charter distributed to all suppliers referenced for Casino products.

Social audits on sites of production of non-food products were conducted in 2001 and 2002 on sites already identified as sensitive (in China, Indonesia, Bangladesh, India, Vietnam, Thailand, Mauritius, Turkey and Morocco). Corrective actions were then defined in collaboration with the managers of the factories concerned, and these are subject to periodical follow-up.

Social ethics awareness-raising sessions gave training to some hundred buying and marketing managers. An "ethical passport" and a visual assessment grid enabling buyers to foresee potential risks with respect to the criteria of requirements of the Supplier Ethical Charter came as a supplement to this training.

In parallel to its retail business, Casino takes an active part in the "Social Clause" of the FCD, the Social Ethics Group of AFNOR and the Business Club of Amnesty International.



With the same concern for social ethics, Casino has chosen to incorporate into its Organic range certain Fair Trade products (coffee and tea). In this way, Casino's organic coffee now bears the Max Havelaar label.

In addition, a coffee from the Utz Kapeh foundation (a Guatemalan foundation to encourage methods of coffee growing that accord more respect to local people and the environment), has also been selected for our *Saveurs d'Ailleurs* product range.

FCD: Retail trade federation
AFNOR: French standards association

ACHIEVEMENT IN 2002

Continuation of social audits on sites of production of non-food products (33 audits in 2002, based on the grid defined with the FCD (Retail Trade Federation)).

social audits

ACHIEVEMENT IN 2002

A social ethics manager recruited in September 2002.

social ethics

ACHIEVEMENT IN 2002

Selection of a Max Havelaar coffee in Casino's Bio (organic) range.

casino bio

ethical charter

Incorporation of the Ethical Charter into the referencing contracts of suppliers for own-brand products.

ACHIEVEMENT IN 2002



PLANNED IMPROVEMENTS

To continue social audits (50 scheduled for 2003).

To develop Casino's relations with society in general and the reference organizations in order to validate its ethical programme and enhance transparency.

To extend its actions for raising awareness of social ethics to other sections of management in the purchasing centre, to Casino Head office, the production sites and the stores.

PRODUCTION CHANNELS ACCORDING MORE RESPECT TO THE ENVIRONMENT

Attentive to the legitimate concerns of consumers, Casino is committed to developing production channels that give greater respect to the environment and to people.

Terre et Saveur: five years of encouraging good practice that respects the environment

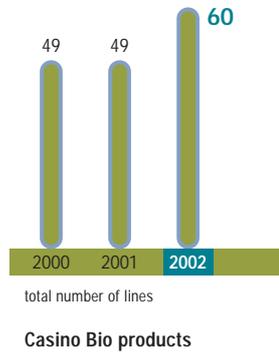
Since 1998, Casino's *Terre et Saveur* range of chilled traditional products has contributed to promoting agriculture that respects the environment. Today the *Terre et Saveur* range comprises 200 lines in Fruit and Vegetables, Meat, Sea Food and Bakery Products.

Nine specialists back up Casino's approach, which is founded on a demanding set of standards and close collaboration with suppliers. Production specifications are reviewed annually in the context of a progress plan. The quality of products is continually verified by means of numerous checking procedures:

- internal and external audits** from crop or livestock production to the processing and/or packing sites;
- sensory testing**, with sampling in the stores for analysis;
- annual surveys** of consumer satisfaction in partnership with the Ipsos institute.

Casino Bio: over 60 lines of organic farming produce

The *Casino Bio* range was launched in 1999 and currently includes over 60 fast-moving consumer products. Before being accepted for the *Casino Bio* range, all products must be certified in accordance with official AB (organic farming) standards. In other words, they must be the product of a mode of production excluding all chemical fertilizers or



ACHIEVEMENT IN 2002

3 *Casino Bio* products (wheat bread, almond shortbread and dark chocolate biscuit) were singled out for praise by the Hachette organic guide 2002.

casino bio

synthetic pesticides and, in the case of processed products, must contain a minimum of 95% organically produced ingredients.

Organic and quality of flavour go together at Casino, so much so that *Casino Bio* products won several awards in the course of 2002.

A policy of sustainable management of teak forests

Aware of the rapid depletion of teak resources in South-East Asia, The Group has undertaken to cease promotion of teak furniture and to reduce its product range by 30% in 2003. It has also proposed to review its procurement channels and to contribute to the regeneration of this resource: the Group is setting up a reforestation programme in Indonesia (11.3 hectares) and in Vietnam, supervised by an independent auditing consultancy.

PLANNED IMPROVEMENTS

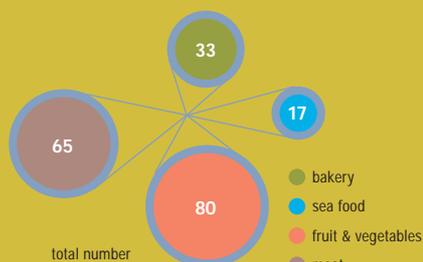
To introduce 14 new *Casino Bio* products in 2003.

To reduce the teak garden furniture range by 30% in 2003.

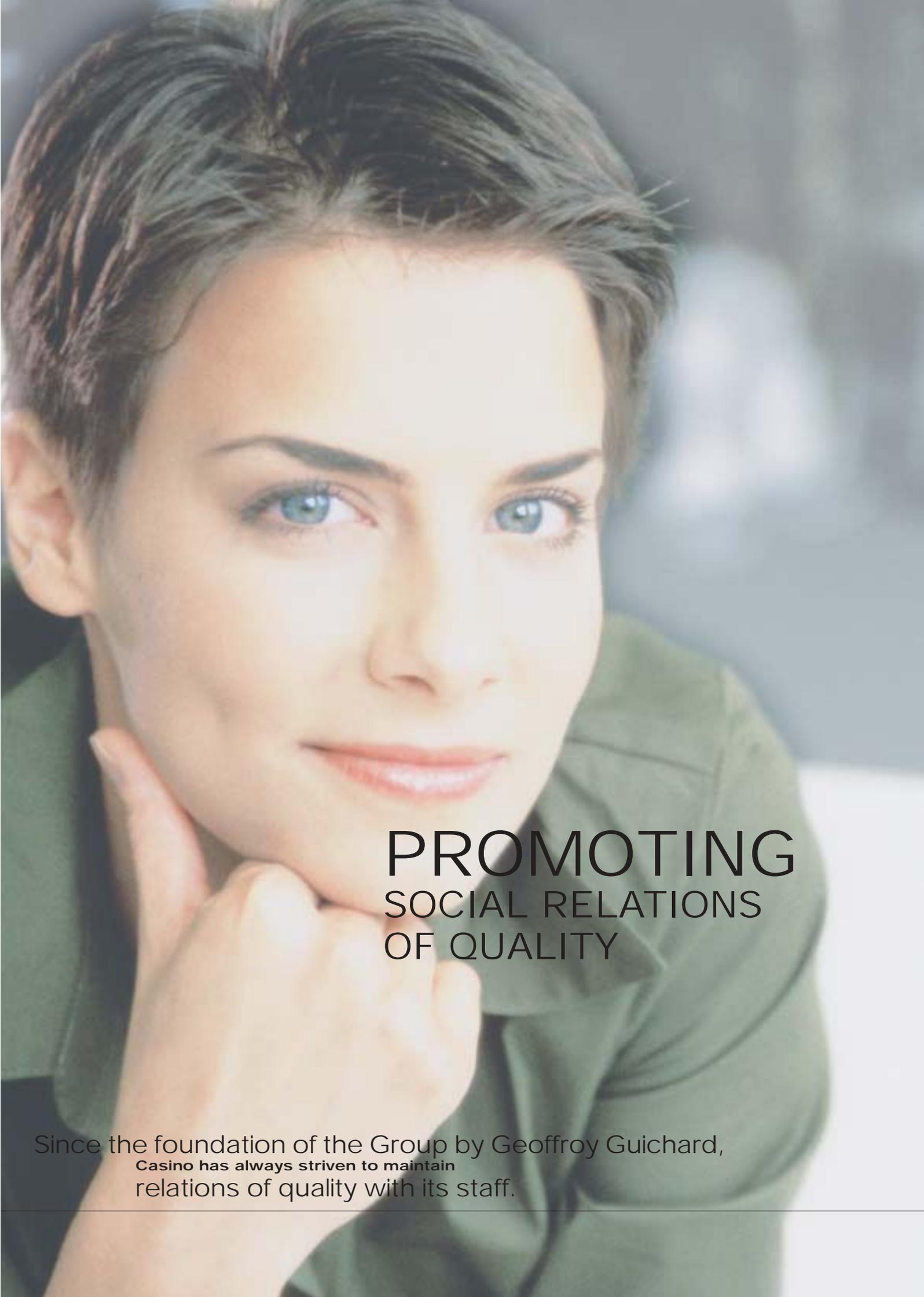
To join WWF Eco Wood Asia in 2003.



number (also shown as percentage of sales) of lines of traditional chilled products
The increasing importance of the *Terre et Saveur* range



Distribution of *Terre et Saveur* products by section

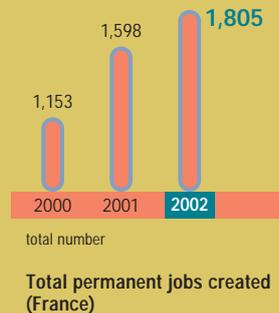


PROMOTING
SOCIAL RELATIONS
OF QUALITY

Since the foundation of the Group by Geoffroy Guichard,
Casino has always striven to maintain
relations of quality with its staff.

The Group is aware that its success depends on the skills of all its employees, and undertakes to provide working conditions based on respect and dialogue.

PROTECTING AND DEVELOPING JOBS OF QUALITY



99%
of staff are covered by a profit-sharing and incentive scheme

The uninterrupted growth enjoyed by the Group for several years and its determination to continually improve its services have enabled Casino to create a net total of over 4,500 permanent jobs since 2000 and to take on 12,000 new permanent employees in the course of 2002.

Casino takes pride in the loyalty of its employees, and the Group makes every effort to limit staff turnover, traditionally high in the retail sector. The policy of incentive schemes and the improvement in working conditions and training of new recruits contribute to the objective of creating staff loyalty.

In addition, despite the constraints of opening and closing times of stores, the Group strives to fight against imposed part-time employment and job insecurity, giving preference to permanent posts and voluntary part-time working. The Group's determination in this respect is illustrated by the efforts made in management of working time: minimum working hours for part-time work rose from 22 to 26 hours per week in 2000, and employees who so wished were able to go over to 28 hours in 2002. In addition, Casino makes as

little use as possible of temporary labour. This has meant that 90% of the employees of the Group are holders of permanent employment contracts.

In the event of a slow-down in certain areas of business, the broad range of banners of the Group provides a means for Casino to preserve jobs by transfers from one banner to another. When C-mesCourses, the internet site dedicated to food shopping, went out of business in April 2002, a job preservation plan agreed with our social partners enabled 95% of the employees affected to be re-employed elsewhere.



PLANNED IMPROVEMENTS

To draw up a guide to good practice in recruitment and placement in the course of 2003.

MULTIPLE CAREERS WITHIN THE GROUP

Training to meet the requirements of quality and professional development

Because Casino believes in the value of work well done, the Group has always stressed the professional development of its staff. The first vocational courses were provided for grocery store managers in the Saint Etienne area in 1929. The Group sets up a personalized training programme for every employee immediately upon engagement. This programme can be modified throughout employees' careers as a function of the opportunities that are offered them.

Various modes of training are available to the Group's staff: an **Internet platform** enabling all executive grades to take training modules in languages or office technology; **courses on in-store occupations**; **management seminars** at the Group's training institute (the Institut Pierre Guichard); **product training courses** in specialist establishments; **courses on social regulations** and safety.

Casino works actively in collaboration with professional training organizations to define training programmes. In consequence, Casino is represented on the management boards of several apprenticeship training centres.



Philippe Prêcheur, director of Basic Training and Vice-Chairman of the Teaching Commission of the Technical and Commercial Polytechnic institutes

"At Casino, training is not an empty word. In 2002, 504 apprentices took sandwich courses in the activities practised in the Group. The success of this scheme, clearly shown by the figures - 82% of apprentices at Higher Vocational Certificate level

passed the examination, compared to a national average of 56% - testifies to the commitment of the Group to the training of its apprentices. 70% of Higher Vocational Certificate level apprentices obtain permanent jobs on completion of their studies."

training

A Social Relations Management course was introduced.

ACHIEVEMENT IN 2002

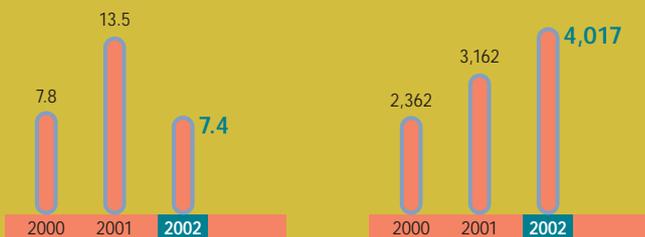
Helping staff to develop by broadening their range of skills

The Group encourages professional mobility and career development so that every staff member may be given a chance. The diversity of occupations within the Group and the variety of formats of its banners means it is possible to offer employees a range of possible career directions, encouraging them acquire back-up skills and optimize their career path. A variety of tools have been set up to manage employees' career development, in particular:

Quarterly career committees in the hypermarkets: half-yearly or quarterly committees have been instituted for hypermarket management staff as a function of their level of responsibility. **Executrack**, dedicated career management software. This was installed in 2000 and since March 2002 has had the benefit of an Executive Assessment and Development mode providing in-depth management of skills.

PLANNED IMPROVEMENTS

To introduce validation of acquired experience.



the increase in the number of hours of training in 2001 reflects the switch-over to the Euro

Average number of hours of training per employee per year (France)

total number

Employees promoted to a higher socio-economic category during the year

PROMOTING SOCIAL RELATIONS OF QUALITY

DIALOGUE AND SAFETY A DUTY TO OUR STAFF

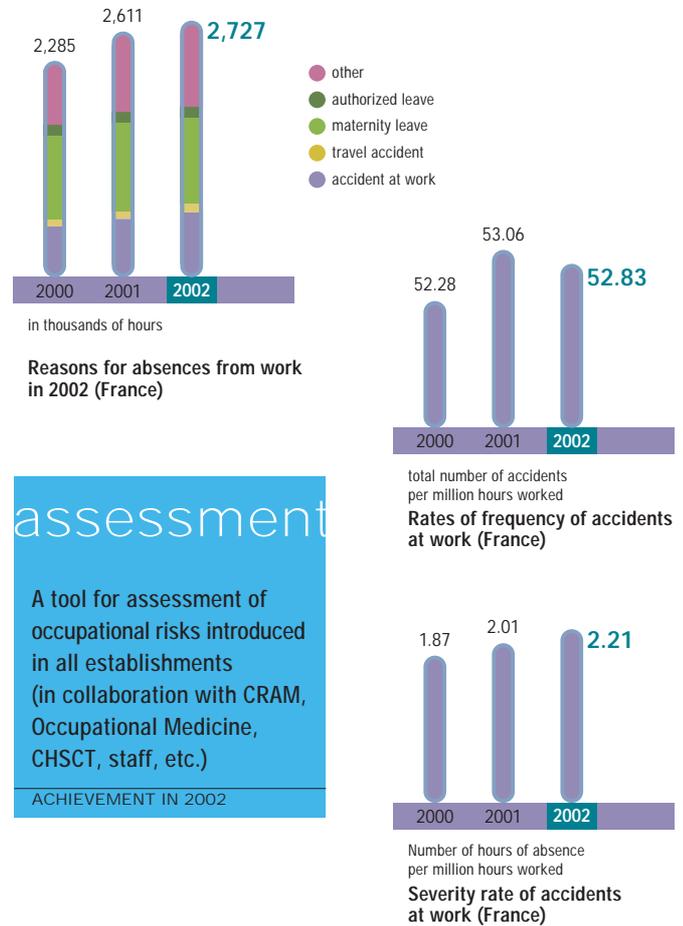
Casino makes every endeavour to maintain a constructive dialogue with its staff, to protect them against all occupational hazards and provide psychological support for those who need it. To favour exchanges with its staff, Casino is active in several respects.

Health and safety: prevention, information and support

The Group conducts an on-going programme of prevention and information regarding occupational hazards, which are limited in number due to the nature of Casino's business. Nevertheless, staff may find themselves faced with situations of aggression or violence (theft, muggings, hold-ups, coercion, intimidation, etc.) which may sometimes prove traumatic. For this reason, Casino has set up a suitable psychological support unit with the aid of specialist psychologists. This unit is available to all staff who have been the victims of attack in its stores all over France. To continue to improve the psychological support available to victims, the Group has made an undertaking in collaboration with an association, *Violence, Travail, Environnement* (Violence, Work and Environment), through an agreement signed on 19th December 2001. The survey taken at the end of the first year underlines the need for this initiative: there were 19 interventions in 2002, to assist 111 employees.

Substantial resources devoted to maintaining social dialogue

The Group strives to promote a social dialogue of quality and to develop constructive relationships with its social partners. This resolve takes the form, in particular, of human, material and financial resources provided for the trades union organizations,



assessment
A tool for assessment of occupational risks introduced in all establishments (in collaboration with CRAM, Occupational Medicine, CHSCT, staff, etc.)
ACHIEVEMENT IN 2002

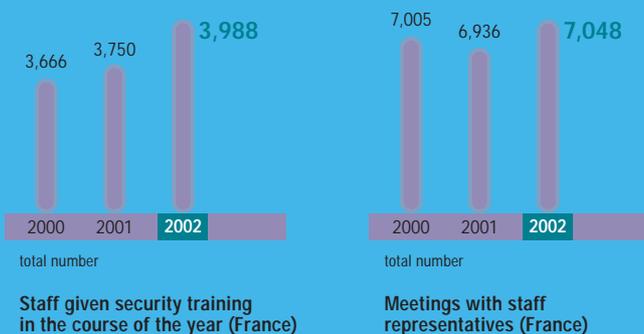
ensuring that Casino has social partners available at every level of the organization to negotiate the different agreements. A special representative body, the Social Committee, has been set up for every establishment with less than 50 staff, testifying to Casino's determination to promote open social dialogue with all its employees.

The Group uses a variety of internal media of communication to dialogue with its staff, perpetuating a tradition that goes back to 1925, when the first issue of "Casino Magazine" was published. Today, the intranet and the quarterly journal "Regard" constitute the principal sources of information for staff.

PLANNED IMPROVEMENTS

To reduce the rate of accidents at work.

To pursue constructive social dialogue in order to improve the status of part-time workers.



EQUALITY OF OPPORTUNITY AND THE FIGHT AGAINST DISCRIMINATION

The fight against discrimination is central to the concerns of the Group

 Casino is a partner with EQUAL LUCIDITE⁽¹⁾, a community action programme whose purpose is to fight racial and sexual discrimination in access to jobs, career development and in service relationships.

On-going efforts to employ disabled workers

In France, Casino has long been involved in fighting exclusion and promoting the employment of the disabled. Following the first business agreement signed on 24th November 1995 for the Department of the Loire, Casino decided to extend the experiment to cover the whole country. The business agreement of 17th December 1999, covering the period 2000-2002, is now approaching its end. A new "Group framework agreement" has just been signed to run from 2003 to 2005 with the purpose of renewing the previous agreement and extending it to other banners in the Group.

"Handipacte Casino", the business agreement, pursues the following aims:

- to give priority to the recruitment** of disabled people;
- to improve the conditions of reception**, training, follow-up, integration, development and job retention of disabled people;
- to enhance involvement of all members** of the executive staff and social partners, so that the handling of the problem may be better shared among all staff;
- continuation and development** of working relations with aid centres and sheltered workshops.



Franck Dalard, visually impaired from birth, in charge of the switchboard at the Géant store in Villefranche-sur-Saône since 1997

"Before I got this job, I found it difficult to accept my disability and I was afraid of the reception I might get. But in actual fact, my colleagues accepted me as one of them right from the start, without worrying about my disability. You appreciate things like that, and it has helped me to get integrated, because I had to take up Braille again at the same time."

ACHIEVEMENT IN 2002

Continuation of the action agreement signed with AGEFIPH⁽²⁾ on ergonomic assistance in a study on adapting workstations for disabled people.

ACHIEVEMENT IN 2002

Participation in the 6th "Jobs Week" organized by ADAPT⁽³⁾ and AGEFIPH.

assistance employment

support

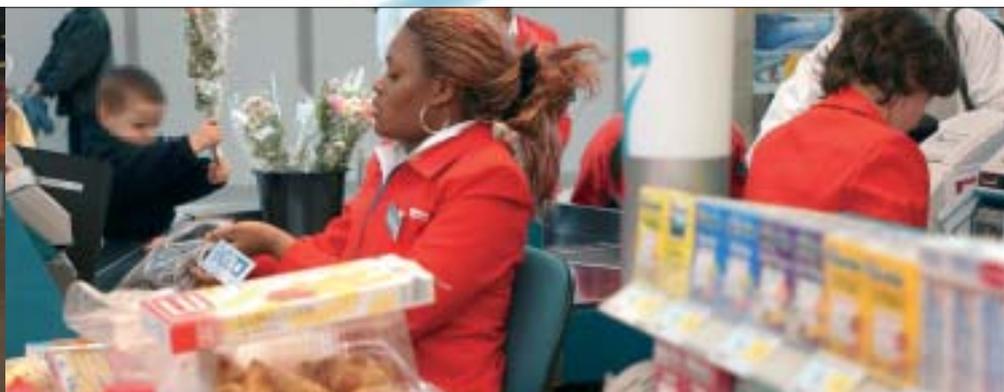
129 instances of retention of jobs for disabled employees.

ACHIEVEMENT IN 2002

(1) EQUAL LUCIDITE: association fighting ignorance and discrimination at work and in business

(2) AGEFIPH: association for the management of funds for the integration of disabled people into the job market

(3) ADAPT: French association for the integration of disabled people into the job market



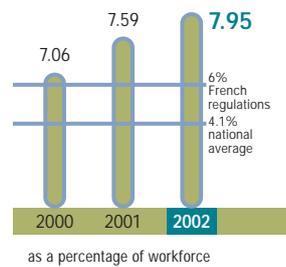
PROMOTING SOCIAL RELATIONS OF QUALITY

A major awareness-raising operation has been conducted internally to facilitate implementation of this agreement. In 2002, priority training was given to 73 people from establishments which had not yet filled the legal quota of disabled employees on their payroll laid down by the law of 1987. A guide to the engagement and retention in employment of disabled workers, designed to provide practical answers to problems encountered on the ground, was issued to each local manager in 2001.

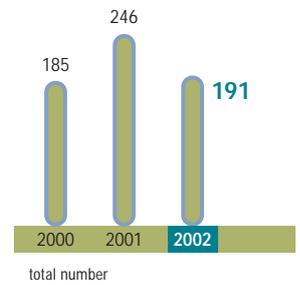
The efforts made by all our establishments taken together enabled us to exceed our quota of 6% of disabled workers in 2000, 2001 and 2002.

Casino is a member of "Club Etre", which comprises most of the large companies involved in the integration of disabled people.

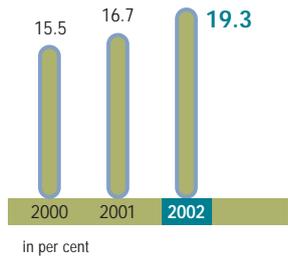
ACHIEVEMENT IN 2002
 Production and distribution of 9 educational leaflets listing successful experiments in retaining disabled workers in jobs.
 experiments



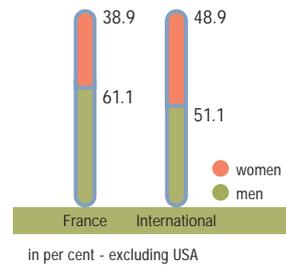
Quota of disabled employees (France)



Disabled persons recruited (France)



Percentage of women executives (France)



Breakdown of staff men/women in France and internationally

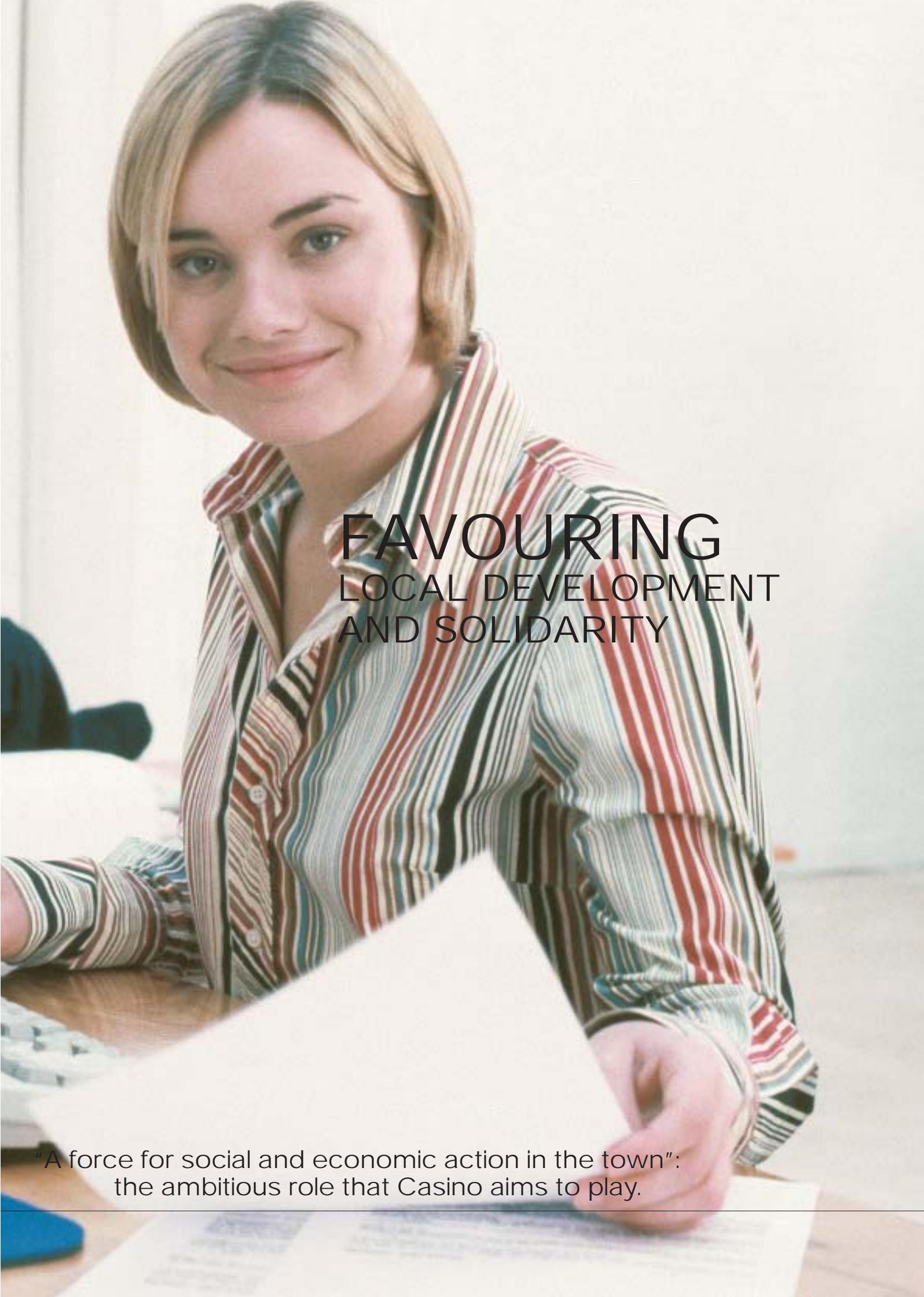


Breakdown of staff men/women by staff category

PLANNED IMPROVEMENTS

To maintain a quota of disabled workers greater than 6% while anticipating the retirement of disabled workers born between 1945 and 1960.

To strengthen communication on the recruitment of disabled workers via intranet and internet.



FAVOURING LOCAL DEVELOPMENT AND SOLIDARITY

"A force for social and economic action in the town":
the ambitious role that Casino aims to play.

This ambition testifies to the way that presence, solidarity and local economic development are at the core of the Group's values.

URBAN POLICY A HISTORICAL COMMITMENT



Casino undertakes that its development will benefit the areas in which its stores are established.

A dedicated organization with local and national partners

The department for "Urban Policy - Integration and Solidarity", attached to Human Resources Management, is the instrument for channelling and implementing Casino's commitment. The department gives priority to five functions:

Training and consciousness-raising to make staff more aware of the problems of the deprived urban areas in which 59% of the Group's hypermarkets and 39% of its supermarkets are located.

Support for projects of inner city renewal, integration, local jobs and placement of trainees.

Backing for the integration of stores into their urban environments.

Matching the range of stock to the lifestyles and demands of the local population.

Security enhancement and mediation on certain sites by development of actions to rebuild the social fabric.

 The Group makes its own contribution to discussions and has for a long time been collaborating with the various organizations involved in urban policy:

- nationally: with the Ministries for Employment and Solidarity, for Urban Affairs, the Family and the Interior, with foundations (in particular, FACE), and with the voluntary associations;
- locally and regionally: with the Prefectures and the general and regional councils, and the ANPE;
- since 1992, side by side with the active institutions concerned, Casino has been contributing to discussion of new modes of city policing on a commission of the National Council of Cities.

Three major programmes undertaken since 1993

Since the signature in 1993 of a national agreement with the Ministry for Urban Affairs, several projects have come to fruition under three major programmes:

The social link programme, for prevention of delinquency and social mediation, with the municipalities of Torcy, Aix-en-Provence, Toulouse le Mirail and Boissy Saint-Léger.

FACE: Foundation for Action to Counter Exclusion
ANPE: national employment association



Medjebeur Halima, sales manager of the sea-food section at Géant, Torcy

store. Then I was taken on in 1991 in the sea-food section to replace someone on maternity leave. I've been working there for twelve years now. My manager had confidence in me, and gradually entrusted me with more and more of his responsibilities when he was away. It was natural for me to take his place when he retired last year."

"I was unemployed when I heard that Casino were looking for two people for an exceptional operation on the Géant Christmas tree. This job went off quite well, and I was contacted again for further missions in different sections of the

The programme for revitalizing inner city areas:

Casino believes in a policy of integration into the job market based on economic development. Following the urban project in Vaulx-en-Velin in 1997, the Group has continued this process with the opening of other new stores. In collaboration with the State and its services, Casino sets up a job cell which works for 12 to 15 months on job applications, placements on job integration courses and the training of future employees. A significant proportion of posts (20 to 30%) are reserved for local residents.

The programme of development of new labour pools:

- STARTER, an association of Casino staff members founded in 1994 to support reintegration and youth employment, has already trained some sixty AMIS (Agents for Mediation, Information and Services), engaged on permanent contracts and trained with a view to being reintegrated into professional life.

ACHIEVEMENT IN 2002

Hypermarkets opened in Roubaix and Argenteuil.

agreement opening

A new agreement with the Ministry for Urban Affairs signed for the period 2000-2006.

ACHIEVEMENT IN 2002

TORCY: A HISTORIC EXAMPLE

After the events of the summer of 1991, when a Géant hypermarket was besieged by young people from the deprived area of Torcy (Saône-et-Loire), the store committee undertook a conciliation procedure with youth representatives, the voluntary agencies, the institutions and the forces of law and order.

Key points were:

- employment of local people;
- setting up of a "Youth information Point";
- institution of rural discovery classes for the younger children.

Today, thanks to dialogue and mutual respect, the tensions have completely gone.



**FAVOURING
LOCAL DEVELOPMENT
AND SOLIDARITY**



**PLANNED
IMPROVEMENTS**

To recruit 250 new employees from priority areas and with higher level certificates during the period 2002 to 2006.

In new stores, to reserve a significant proportion (20 to 30%) of new jobs for local residents.

- A "Customer Service Boutique" concept has been developed with the creation of the ADES (association for the development of service jobs), in partnership with the FACE foundation. The boutiques offer a broad range of services (clothing alterations, administrative procedures, deliveries, ironing, shoe repairs, etc.). The ADES operates like an ordinary business, with its own budget, and since its foundation, it has enabled nearly 500 young people to find a way back into employment.

Renewed commitment

In 2002, Casino renewed its commitment by signing a new agreement with the Ministry for Urban Affairs for the period 2000-2006. Three priority action plans were laid down:

Facilitation of access for qualified young people from inner city areas to managerial functions within the Casino Group.

Support for integration into the job market of poorly qualified local residents.

Participation in the economic development of the inner city areas, capitalizing on the know-how of the Group.



SOLIDARITY AT LOCAL, NATIONAL, AND INTERNATIONAL LEVEL

Casino is an organization with a strong attachment to its origins, and has a long tradition of patronage and humanitarian commitment. By actions taken at both local and international levels, the Group strives to give practical expression to its solidarity with the deprived and with people suffering from serious illness.

Two main types of action

All Casino's stores participate in numerous operations every year:

- gifts of food to the *Restaurants du Cœur*, the *Banque Alimentaire*, *Secours Populaire*, and other charitable organizations;
- participation in the *Téléthon* and *Vivathlon* fund-raising campaigns;
- the fight against AIDS;
- providing dogs for sick children (ANECAH).

Since 2000, the supermarkets of the Group have built up a partnership with "*Pas d'Enfants Sans Vacances*" ("No child without a holiday"), the foundation set up by Guy Lux, which has already taken 200 children to the seaside, often for the first time in their lives.

Apart from these actions, the Group exerts itself to help its **employees to organize themselves** into groups focusing on projects that motivate them and which encourage **partnerships over a period of years between local associations and stores**. Questionnaires were sent individually to all employees to give them a voice in defining Casino's priorities in terms of patronage. Analysis of the 3,200 replies received made it clear that our staff wished to see their company give its support to the **humanitarian sector, especially for the welfare of children**. Partnerships for a three-year term have since been set up between stores and local associations:

Adolescence Voile Marine in Saint André-de-Cubzac, *Charlotte & Ses Amis* in Brive, *Mieux Vivre à Vénétie* in Paris Masséna, the *Maison des Familles* in Poitiers, *Frères* in Marseille Sainte-Anne, *Dolakha* in Marseille Valmante, and others.

Les Ecoles du Soleil

The purpose of the *Ecoles du Soleil* (Sunshine Schools), founded in July 2001, is to act both in France and internationally in support of humanitarian activities and solidarity, to promote the education of deprived children.

Casino makes the association an annual donation, of which shares go to the partner association in France, *SOS Villages d'Enfants*, and to the foundations of the Group's subsidiaries in Thailand (Big C Foundation), Colombia (Exito Foundation) and Venezuela (Cativen Foundation).

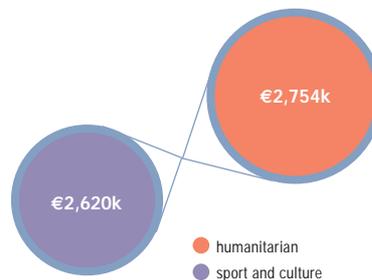
Each foundation undertakes and manages action in support of children's education. Casino also undertakes to organize fund-raising events in its stores.

The Ecoles du Soleil Association also contributes to exceptional solidarity actions following natural or humanitarian disasters. At the time of the floods in July 2001 in southern Poland, at Budzow, the association made a donation to the village, whose houses and schools had been flooded and its bridges destroyed.

Principal actions in France:

- social meetings between store teams and *SOS Villages*;
- mobile exhibitions in shopping arcades;
- local partnership between the Convenience store division and the *SOS Villages* in Marseille to celebrate the 30th anniversary of the Village;
- profit-sharing on bunches of flowers sold in the convenience stores in May 2002.

ANECAH: national association for training dogs for the disabled



Amount of donations in 2002
(France and international)



**FAVOURING
LOCAL DEVELOPMENT
AND SOLIDARITY**



Chantal Palitzyne, public relations manager for SOS Villages d'Enfants

"For SOS Villages d'Enfants, the Casino Group/Ecoles du Soleil is a partner with total commitment to its mission. In addition to the institutional and financial support given to the association's projects for the building and extension of children's villages, bonds have been created between our two spheres of action, and the personal commitment of staff of the Casino Group has contributed to the birth of many projects for the children's happiness."

collection

Collection of francs before the change-over to the Euro in Petit Casino, Casino and Serca stores and in warehouses, regional management offices and head office.

ACHIEVEMENT IN 2002

ACHIEVEMENT IN 2002

Thailand: donation of 25,000 Euros to the Ministry of Education enabling construction of a 6-class school able to take in 500 children; collections made in the 33 Big C Hypermarkets sent 2,700 children to primary school and provided 2,000 school uniforms and 120 second-hand micro-computers.

schooling

ACHIEVEMENT IN 2002

Colombia: launch of the "Patio Bonito" programme: construction of a reception centre for deprived young children (capacity 120 children from 4 months to 5 years) giving care, meals and basic education.

children



PLANNED IMPROVEMENTS

To develop the SOS Villages d'Enfants mobile exhibitions in the arcades of our shopping centres in 2003, and set up local partnerships with Villages near our stores.

To develop fund-raising operations in our stores in favour of the Ecoles du Soleil.

A close-up photograph of a middle-aged man with short, graying hair and black-rimmed glasses. He is smiling broadly, showing his teeth. He is wearing a blue long-sleeved shirt. In the foreground, he is holding a large, vibrant pink poinsettia plant with several large, pointed bracts. The background is slightly blurred, showing what appears to be an indoor setting with green plants and a window with vertical blinds.

MOBILIZING TO PROTECT THE ENVIRONMENT

The main environmental impact of the Group
consists in the energy consumption of its stores, waste management and transport.

For these reasons, Casino is committed to implementing a policy that takes account of ecological balance.



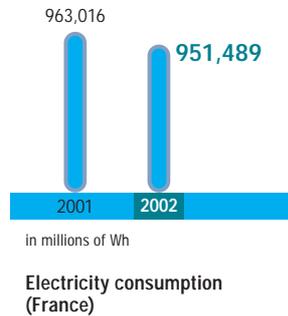
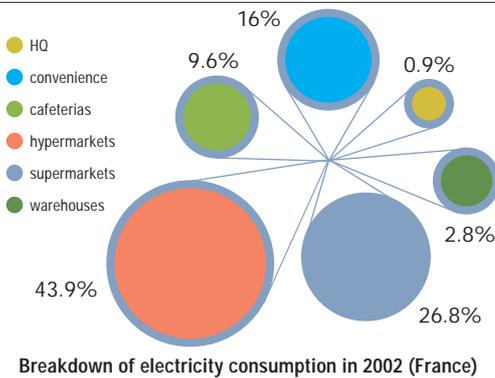
Evelyne Pacoret, Energy Manager

"Casino's General Management had already listed the reduction of energy consumption among its objectives 3 years ago. In addition to a programme of awareness-raising among our staff,

our deliberations have been directed towards the search for innovative technical solutions and new technologies such as electronic ballasts and "low consumption" fluorescent tubes for lighting. These endeavours have already earned the supermarket division the "Green Light" certificate of the European Commission on the Environment. Today we are achieving significant results in terms of energy savings, so that the Casino Group is making an ongoing contribution to the preservation of the environment."

ENERGY MANAGEMENT

MORE RATIONAL CONSUMPTION TO CONSERVE RESOURCES



consumption

1.9% reduction of electricity consumption in 196 supermarkets for comparable scope of measurement (not counting additional chill cabinets, changes in opening hours, etc.)
Neon tubes in 8 hypermarkets replaced with low consumption lighting.

ACHIEVEMENTS IN 2002

The energy consumed by the Group is primarily in the form of electric power. The main uses of electricity are for lighting, ventilation or air conditioning systems and refrigeration units for preserving food.

Electricity consumption is a source of indirect pollution due to the CO₂ emissions associated with electricity generation.

Casino continually seeks to rationalize consumption by the use of new technologies and changes in behaviour. Measures instituted by Casino are based on the know-how developed by the central services in the design and application of optimized energy solutions in the stores:

Purchase of more energy-efficient equipment for heating, refrigeration and lighting.

Optimization of lighting systems during renovation work (low consumption lighting units, reflectors, etc.), taking care to meet the requirements of the European Green Light specifications.

Regular audits of electricity consumption to define plans of corrective action and supervisory mechanisms to measure results.

A behaviour charter and regular awareness campaigns.

Casino is a member of the environmental working group of the FCD and has been collaborating for some years with the ADEME on energy saving.

ADEME: environmental and energy control agency

ACHIEVEMENT IN 2002

Behaviour charters adapted to each occupation and sector together with internal energy saving awareness campaigns ("Switch off when you leave").

saving



PLANNED IMPROVEMENTS

To continue lighting renovation operations in hypermarkets and supermarkets.



Henri Limorté, director of the hypermarket in Tours

"Tours hypermarket opened on 26th April 2002. Since this was a brand new store, we set the very high standards that we always apply in new stores as regards sorting of waste and recycling. Each workshop (bakery, fruit and vegetables, etc.) has a special dedicated bin for waste sorting. In the same way, in the offices, each worker has an individual bin for separating paper"

FIRST PRIORITY WASTE PREVENTION AND SORTING

Improving waste management in the stores

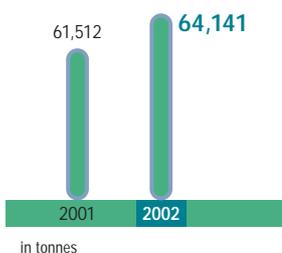
The business of the stores and other installations of the Group generates a great diversity of waste: wet waste (fermentable), cardboard, wood, plastics, lamps and neon tubes, used cooking oils from the cafeterias and other harmless waste (such as scrap metals, non-hazardous domestic appliances, etc) and hazardous waste (oils; solvents, soiled rags and packaging, aerosols, etc.) from the technical departments.

Casino is improving its management of waste in two ways: it operates a policy of prevention, and is developing the sorting of waste in order to facilitate the recycling and clean, economic disposal of the waste that it produces.

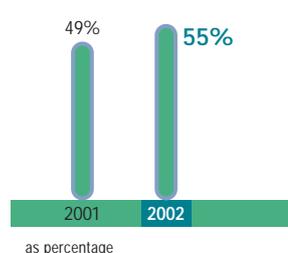
In token of the commitment of the Group, in 2002 each hypermarket and supermarket division appointed a person to take charge of waste management.

Tracking down losses of food products

At the very heart of Casino's retail activity is the continual tracking down of losses in the store (products withdrawn and past their sell-by date). These losses are subject to close supervision in every store. Particular effort is given to training section managers and to the optimization of merchandizing equipment and the computerized tools for managing procurement.



Quantity of cardboard waste produced (France)



Proportion of cardboard waste sorted for recycling

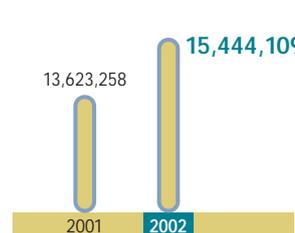
Limiting use of packaging

Prevention of packaging waste generation is achieved primarily by reducing the quantity of secondary and tertiary packaging, which account for the highest tonnages of waste.

Actions set up by Casino focus on:

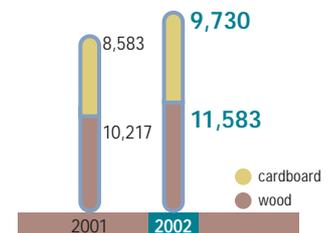
Extensive use of returnable packaging: as early as 1990, Casino had developed returnable crates for fruit and vegetables. In 1997, Casino was the first retailer in France to use folding, returnable crates in all its stores for fruit and vegetables (the section that generates the largest proportion of waste in the store). Since 1998, this has achieved a considerable reduction in the consumption and waste of wooden and cardboard containers.

Assistance to suppliers (SME) in analysing packaging value with the aim of reducing the amount and cost of packaging of Casino products.



Number of trips transporting fruit and vegetables using returnable crates

Use of returnable packaging (France)



in tonnes

Tonnage of wood and cardboard saved by use of returnable packaging (France)

from other waste. We have installed special machines for recycling not only cardboard and plastic, but also polyester fish cases. The packaging comes out in the form of balls or cubes which are collected several times each week".

ACHIEVEMENT IN 2002

April 2002: signature of two national agreements on the removal and recovery of packaging cartons from medium and large stores (400 stores are involved).

ACHIEVEMENT IN 2002

Signature of a national framework agreement for the collection and recycling of dry batteries and accumulators covering all outlets (other than franchise stores).

recovery

recovery optimization

A packaging optimization study was carried out on a selection of 15 Casino products, with in-depth analysis of 2 products: validation of methodology, definition of measurement indicators of environmental and economic benefits, identification of avenues for improvement, and tests.

ACHIEVEMENT IN 2002

Helping our customers to improve their waste management

As consumers do not always have the necessary information or resources to sort their waste, Casino contributes to efforts made by the public to recycle domestic waste.

In particular, Casino has given an undertaking to the public authorities to collect 50% of the tonnage of dry batteries and accumulators sold in its stores. Implementation of this began in 2001. Today, **100% of our stores** are equipped with containers for collection of used batteries.

Casino is also endeavouring to develop collection of worn-out electric and electronic domestic appliances when delivering new equipment to customers, and has set up partnerships with organizations such as ENVIE for the recycling of domestic appliances.

In addition, armed with its know-how in matters of packaging recovery, Casino delivers bulky domestic appliances in protective covers, and not in the original cartons, which it recycles.

ENVIE: national enterprise for economic integration



PLANNED IMPROVEMENTS

To optimize management of secondary and tertiary packaging on products other than fruit and vegetables.

To extend the framework agreement on the collection of lamps and neon tubes to the supermarkets in 2003.

To take an active part in setting up future channels for waste collection.

To continue the effort to collect used batteries.

To improve waste sorting performance at source in the stores.

To conclude a framework agreement for the collection and recovery of toner cartridges in 2003.

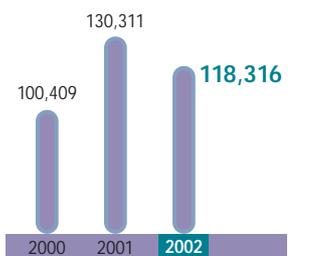
ON-GOING EFFORTS TO OPTIMIZE TRANSPORT

The transport of goods is a significant source of damage to the environment and harm to people, especially in terms of emissions of greenhouse gases, and of noise.

Conscious of this situation and of its own responsibilities, Casino has introduced a continuous improvement procedure. Two courses of action are followed: on the one hand, the Group perpetually seeks "better" transport through improvements in logistics, while on the other, it favours the use of "cleaner" vehicles. For several years now, Casino has pursued these two objectives.

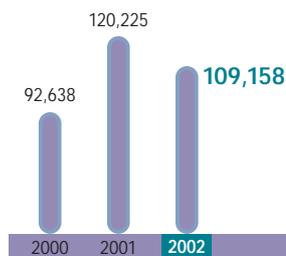
Reducing the number of vehicles running partially unladen

Reducing the number of trips by empty vehicles is a priority for Casino, which has set up a whole series of procedures for this purpose. Through enhanced co-ordination between the Group and its suppliers, it has been possible, for example, to use the same vehicles for transport upstream (supplier to warehouse) and downstream (warehouse to store). The establishment of regional transport offices also contributes to optimizing itineraries. Altogether, the various measures undertaken by Casino were successful in reducing transport distances by 1,250,000 kilometres in 2002, representing a saving of nearly 1,200 tonnes of CO₂.



trips between warehouses and stores made by sub-contractors of the Group, in thousands of km

Distance travelled for transport of goods (France)



calculation by the GhG Protocol method in CO₂ equivalent tonnes

CO₂ emissions due to transport of goods



Jean-Louis Amoros, director of the warehouse at Grigny (69)

"We have made a real innovation by the introduction and use of insulated containers instead of refrigerated"

Favouring the use of less polluting vehicles

The Group has concluded partnership agreements with its principal hauliers to provide for the accelerated replacement of the goods vehicle fleet. Recently manufactured lorries are subject to more stringent European standards relating to the environment, in particular the Euro 3 standard, which requires lorries to be equipped with an EOBD on-board diagnostic system. This system has two main functions: it detects malfunctioning of the vehicle's anti-pollution equipment and signals to the driver those malfunctions that lead to overstepping of a pollution threshold, so that he can get the vehicle repaired. As of the end of 2002, Casino had at its disposal, through the intermediary of its sub-contractors, a fleet of 400 vehicles equipped with Euro 2 and Euro 3 engines.



REDUCING THE NUISANCE OCCASIONED BY DELIVERIES USING REFRIGERATED VEHICLES

Casino has been a pioneer in the use of cryogenically cooled insulated containers to replace deliveries by refrigerated lorry to its convenience stores. This makes it possible at the same time to decrease emissions of refrigerating gases and the number of kilometres travelled, by concentrating deliveries in different business sectors, and to reduce the noise nuisance caused by lorry refrigerator units, while improving maintenance of the cold chain.

**MOBILIZING
TO PROTECT
THE ENVIRONMENT**

delivery vehicles. For two years now, Casino has been delivering chilled and deep-frozen products at all hours by this means. Not only is the cold chain perfectly maintained, but also we are able to avoid obstructing traffic by making deliveries at night”.

Developing real-time supervision of itineraries

By means of on-board tracking systems, lorries send a real-time signal showing the position of the vehicle and its current state. This tool helps to rationalize management of the fleet, optimizing delivery rounds and avoiding superfluous trips. As of the end of 2002, 40 vehicles were fitted with a tracking system.

In addition, Casino incorporates rail-transport requirements into the design of its logistical platforms: most warehouses already have direct access to the rail network.

Casino has set up partnerships and takes an active part in working groups in the field of transport: the FCD Transport Committee, the national logistics association ALSOG, and the Rhône-Alpes regional logistics association ALLIANCE.

PLANNED IMPROVEMENTS

To increase the number of vehicles with tracking equipment.

To keep a technological watch on “clean vehicles” for urban deliveries.



For further information

This report is a medium for dialogue and progress. Should you wish to obtain any further information on the Casino Group and sustainable development, or to let us know your remarks and comments, please contact:

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The corporate site of the Casino Group

www.casino.fr

General information on the Group and its banners in France

www.produits-casino.fr

Information about Casino products



From left to right: Daniel Chabroux, Pascale Berthier, Jean-Jacques Pataud, Isabelle Barillé, Bernard Pascal, Daniel Marque, Christine Calmels, Bruno Colombani, Evelyne Pacoret, Jean-Paul Morin, Gérard Massard and Gilbert Delahaye.

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Scope of reporting

The data published in this document (unless explicitly otherwise stated) concern all establishments 100% owned by the Casino Group in France, for the following companies:

- Casino Guichard-Perrachon
- Distribution Casino France and its subsidiaries (Acos, Casino Vacances, Nazairdis, Kamili & Jaceli)
- Casino Cafétéria and its subsidiary Restauration Collective Casino - R2C
- Easydis
- L'Immobilière Groupe Casino and its subsidiary Sudéco
- Tout Pour La Maison (TPLM)
- Casino Entreprise and its subsidiaries (Imagica and Komogo)
- EMC Distribution
- Comacas
- Casino Services

For the environment, the administrative buildings have not been included.

The data relating to establishments under franchise and to the subsidiaries Monoprix and Franprix/Leader Price and Codim 2 were not included in the scope of reporting for 2002. The Monoprix Group publishes its own sustainable development report which can be consulted on its web site, www.monoprix.fr



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