

**CNOVA N.V.**  
**EXPLANATORY NOTES TO THE AGENDA**

Explanatory notes to the agenda for the annual general meeting of shareholders of **Cnova N.V.** (the "**Company**") to be held on Friday June 26, 2020, at 2:30 p.m. CEST, at Hilton Amsterdam Airport Schiphol Hotel located at Schiphol Boulevard 701, 1118 BN, Schiphol Airport, the Netherlands (the "**AGM**").

**Agenda item 2: Board report for the financial year 2019 (discussion item)**

Dutch law requires the board of directors of the Company (the "**Board**") to annually prepare a board report, which must give a true and fair view of the position on the balance sheet date of the annual accounts, the developments during the financial year and the results of the Company and its group companies of which the financial information has been included in the annual accounts. Under Dutch law, the board report must also be discussed at the annual general meeting of shareholders. The contents of such board report are subject to Dutch law and the Dutch Corporate Governance Code.

In its meeting held on October 30, 2014, the general meeting of shareholders of the Company (the "**General Meeting**") approved the use of the English language for the annual board report, in accordance with section 2:391(1) of the Dutch Civil Code ("**DCC**"), and for the balance sheet items in the annual accounts, in accordance with section 2:362(7) DCC. As such, and due to the international nature of the Company's business, the board report for the financial year 2019 (the "**Board Report**") and the balance sheet items in the annual accounts for the financial year 2019 (the "**Annual Accounts**") have been prepared in the English language

**Agenda item 3: Remuneration report for the financial year 2019 (advisory voting item)**

In accordance with sections 2:135b (1) and (2) DCC, the implementation of the Company's remuneration policy in 2019 has been disclosed in the remuneration report as part of the Board Report and such remuneration report will be discussed and put to an advisory vote.

***Proposed resolution***

*In accordance with and further to the explanatory notes to the agenda for the 2020 annual general meeting of shareholders, to approve, as an advisory vote, the remuneration report over the financial year 2019 as included in the Board Report.*

**Agenda item 4: Allocation of results and dividend policy (*discussion item*)**

The Dutch Corporate Governance Code recommends that the Company's dividend policy (the level and purpose of the addition to the reserves, the amount of the dividend and the type of dividend) be discussed at the AGM.

For the financial year 2019, the Company's Annual Accounts show a loss both on a standalone basis and on a consolidated basis. In view of these losses, the Board did not see any reason to reconsider its policy of not paying any dividends and resolved to charge the losses shown in the Annual Accounts against the profit reserves.

**Agenda item 5: Adoption of the annual accounts for the financial year 2019 (*voting item*)**

Dutch law requires the Board to annually prepare annual accounts, consisting of a balance sheet and a profit and loss account with respect to the preceding financial year, as well as consolidated accounts and explanatory notes thereto. The Board has drawn up the Annual Accounts, which were signed by all members of the Board. Dutch law provides that the general meeting of shareholders is the corporate body authorized to formally adopt the Annual Accounts.

As indicated above, the Company has finalized the Annual Accounts, and therefore it is now proposed to the General Meeting to adopt the Annual Accounts.

***Proposed resolution***

*In accordance with and further to the explanatory notes to the agenda for the 2020 annual general meeting of shareholders, to adopt the Annual Accounts drawn up by the Board and signed by all members of the Board.*

**Agenda item 6: Release from liability of the members of the Board with respect to the performance of their duties during the financial year 2019 (*voting item*)**

In accordance with Dutch law, if the General Meeting adopts the Annual Accounts, such adoption does not automatically release the members of the Board from liability with respect to the performance of their duties during the financial year 2019. Instead, such proposal should be made separate from the proposal to adopt the Annual Accounts. Consequently, it is now proposed to the General Meeting to release the members of the Board from liability with respect to the performance of their duties during the financial year 2019.

In principle, this proposed release from liability only extends to matters that are disclosed in the

Annual Accounts or have otherwise been disclosed to the General Meeting.

***Proposed resolution***

*In accordance with and further to the explanatory notes to the agenda for the 2020 annual general meeting of shareholders, to release the members of the Board from liability with respect to the performance of their duties during the financial year 2019.*

**Agenda item 7:            Instruction to Ernst & Young Accountants LLP for the external audit of the Company's annual accounts for the financial year 2020 (voting item)**

Under Dutch law, the general meeting of shareholders is, in principle, the corporate body authorized to annually appoint the external independent auditor for the audit of the Company's annual accounts. In the 2019 annual general meeting of shareholders of the Company (the "**2019 AGM**"), Ernst & Young Accountants LLP was appointed as the external independent auditor for the audit of the annual accounts for the financial year 2019.

In selecting the external independent accountant for the financial year 2020, the Board has come to the conclusion that a renewal of the appointment of Ernst & Young Accountants LLP would best serve the Company, in view of their knowledge of the Company, continued focus on engagement performance and quality.

It is now proposed to appoint Ernst & Young Accountants LLP as the external independent auditor for the audit of the Company's annual accounts for the financial year 2020.

***Proposed resolution***

*In accordance with and further to the explanatory notes to the agenda for the 2020 annual general meeting of shareholders, to appoint Ernst & Young Accountants LLP as the external independent auditor for the audit of the Company's annual accounts for the financial year 2020.*

**Agenda item 8:            Amendment to the Company's articles of association**

The Board proposes to amend the Company's articles of association (the "**Articles of Association**") in order to be aligned with recently enacted Dutch legislation relating to the abolishment of bearer shares.

A draft deed of amendment showing these proposed changes in the Dutch and English texts has been made available on the Company's website and at the Company's office address. The amendment will have no consequences for the Company's shareholders, since all shares in the

Company's capital are registered shares.

In order to execute such deed, it is proposed, as part of this resolution, that authorization be granted to each civil law notary, candidate civil law notary and lawyer working with NautaDutilh N.V., the Company's Dutch legal counsel, to execute such deed of amendment to the Articles of Association.

***Proposed resolution***

*In accordance with and further to the explanatory notes to the agenda for the 2020 annual general meeting of shareholders, to amend the articles of association of the Company in conformity with the draft deed drawn up by NautaDutilh N.V. and to authorize each civil law notary, candidate civil law notary and lawyer working with NautaDutilh N.V. to execute such deed of amendment to the articles of association.*

**Agenda item 9: Reappointment of Mr. Ronaldo Iabrudi dos Santos Pereira as Non-Executive Director (voting item)**

In the annual general meeting of shareholders of the Company held on May 23, 2017 (the "2017 AGM"), the General Meeting re-appointed Mr. Ronaldo Iabrudi dos Santos Pereira as Non-Executive Director of the Company for a period ending at the end of the Company's annual general meeting of shareholders to be held in 2020, being this AGM.

It is now proposed that Mr. Ronaldo Iabrudi dos Santos Pereira will be reappointed as Non-Executive Director for a period ending at the end of the Company's annual general meeting of shareholders to be held in 2023.

*Ronaldo Iabrudi* has been a Cnova Board member since 2014 and was elected Vice-Chairman and non-executive director in 2016. He was elected on April 27, 2018 as Co-Vice-Chairman of GPA's Board of Directors. Mr. Iabrudi is also a member of Éxito Group's Board of Directors in Colombia since January 2020; and is part of Suzano's Sustainability Committee since July 2019. Between January 2014 and April 2018, he was CEO of GPA. Previously, he was Chairman of the Board of Directors of Via Varejo, Chairman of the Boards of Directors of Lupatech, Contax and Telemar, and member of the board of Estácio, Magnesita, Cemar, Oi/Telemar, RM Engenharia and Ispamar. He was CEO of Magnesita from 2007 to 2011 and, from 1999 to 2006, worked for Grupo Telemar, where he undertook several positions, including CEO of Telemar/Oi and Contax. From 1996 to 1999, Ronaldo Iabrudi was CEO of FCA (Ferrovia Centro-Atlântica) and from 1984 to 1996, Chief Financial & Management Officer and Chief Human resources Officer of Grupo Gerdau. Graduated in Psychology from PUC-MG, with master's degree in Organizational Development from Université Panthéon Sorbonne and master's degree in Change Management from Université Paris Dauphine, Paris – France.

***Proposed resolution***

*In accordance with and further to the explanatory notes to the agenda for the 2020 annual general meeting of shareholders, to reappoint Mr. Ronaldo Iabrudi dos Santos Pereira as Non-Executive Director for a period ending at the end of the Company's annual general meeting of shareholders to be held in 2023.*

**Agenda item 10: Reappointment of Mr. Arnaud Strasser as Non-Executive Director (voting item)**

In the 2017 AGM, the General Meeting reappointed Mr. Arnaud Strasser as Non-Executive Director of the Company for a period ending at the end of the Company's annual general meeting of shareholders to be held in 2020, being this AGM.

It is now proposed that Mr. Arnaud Strasser will be reappointed as Non-Executive Director for a period ending at the end of the Company's annual general meeting of shareholders to be held in 2023.

Mr. Arnaud Strasser has served as one of our directors since May 30, 2014. Mr. Strasser has served as Director, Corporate Development and Holdings of Casino and a member of the Casino Management Board since 2010. He has also served as a member of the board of directors of Éxito since 2010 (member of the Good Governance Code Assessment, Follow up and Compensation Committee), member of the board of directors of GPA since 2010 and Vice Chairman since 2012 (member of the Human Resources and Compensation Committee), and a member of the board of directors and Vice Chairman of Via Varejo since 2012 and 2013, respectively (member of the Human Resources and Compensation Committee). Mr. Strasser also served as a member of the board of directors of Big C Supercenter until 2014. Mr. Strasser joined Casino in 2007 and served until 2009 as Advisor to the Chairman for International Development of Casino. Mr. Strasser is a graduate from the École Nationale d'Administration (ENA), he also holds a master's degree from the Hautes Études Commerciales (HEC), and a master's degree from the Institut d'Études Politiques de Paris.

***Proposed resolution***

*In accordance with and further to the explanatory notes to the agenda for the 2020 annual general meeting of shareholders, to reappoint Mr. Arnaud Strasser as Non-Executive Director for a period ending at the end of the Company's annual general meeting of shareholders to be held in 2023.*

**Agenda item 11: Reappointment of Mr. Christophe José Hidalgo as Non-Executive Director (voting item)**

In the extraordinary general meeting of shareholders of the Company held on January 13, 2017, the General Meeting appointed Mr. Christophe José Hidalgo as Non-Executive Director of the Company for a period ending at the end of the Company's annual general meeting of shareholders to be held in 2020, being this AGM.

It is now proposed that Mr. Christophe José Hidalgo will be reappointed as Non-Executive Director for a period ending at the end of the Company's annual general meeting of shareholders to be held in 2023.

*Christophe Hidalgo* has been a non-executive director of Cnova NV since 2017. In addition, Mr. Hidalgo has been CFO (Chief Financial Officer) of GPA since 2012. Worked as CFO of Éxito Group (Colombia), subsidiary of Casino Group, from 2010 to 2012, and is currently Member of its Board of Directors. After joining Casino, in 2000, he took several posts in finance and controllership in the Group. As previous experience in Brazil, he worked as CFO of the retailer Castorama, between 1996 and 2000. Christophe is French, with bachelor's degree in private law and degree in finance and accounting, both from the University of Bordeaux (France).

***Proposed resolution***

*In accordance with and further to the explanatory notes to the agenda for the 2020 annual general meeting of shareholders, to reappoint Mr. Christophe José Hidalgo as Non-Executive Director for a period ending at the end of the Company's annual general meeting of shareholders to be held in 2023.*

**Agenda item 12: Appointment of Mrs. Josseline de Clausade as Non-Executive Director (voting item)**

Mr. Franck-Philippe Bertrand Georgin intends to resign from his position as Non-Executive Director of the Company with effect from the end of the AGM. In view of his intended resignation, it is now proposed that Mrs. Josseline de Clausade will be appointed as Non-Executive Director for a period ending at the end of the annual general meeting of shareholders of the Company to be held in 2023.

Since 2012, Mrs. Josseline de Clausade serves as CEO advisor at Casino Group, she manages European and International Affairs for all strategic issues. She was member of the Board of Big C in Vietnam and Thailand, and subsequently as Executive Board member of Exito in Colombia where she currently serves as Board Member of Exito Foundation. Mrs. De Clausade is graduated of

Institut d'Etudes Politiques de Paris and of Ecole Nationale d'Administration. She also holds a master degree of Economics from University of Paris-Dauphine. She has served as member of Conseil d'Etat in France. She was appointed as director of cabinet of deputy minister of foreign affairs, then, she served as diplomat at the French Permanent Representation at the European Union in Brussels, serving as Mission Head, responsible for Cultural Affairs and Scientific Cooperation at the Cabinet of Hubert Védrine (Foreign Affairs Minister) and, also as Consul-General of France in Los Angeles – USA. Mrs. Josseline de Clausade is Officer of the Légion d'Honneur.

***Proposed resolution***

*In accordance with and further to the explanatory notes to the agenda for the 2020 annual general meeting of shareholders, to appoint Mrs. Josseline de Clausade as Non-Executive Director for a period ending at the end of the Company's annual general meeting of shareholders to be held in 2023.*

**Agenda item 13: Adoption of the remuneration policy for the Board (voting item)**

Pursuant to the implementation of the Revised Second European Shareholder Rights Directive in 2019, the Board has revised the remuneration policy of the Company to remain fully compliant with new Dutch legislation. Consistent with the recently introduced requirements of section 2:135a (2) DCC, the remuneration policy shall be put to a vote at a General Meeting at least once every four (4) years.

The existing remuneration policy and remuneration practices are not materially different from the amended remuneration policy that is now being proposed for approval of the General Meeting. However, due to more stringent and more detailed requirements that were recently introduced into Dutch corporate law, certain refinements and additions to the policy are necessary in order to remain fully compliant with the new legislation.

It is now proposed to adopt the revised remuneration policy for the members of the Board with effect from the beginning of the financial year 2020.

***Proposed resolution***

*In accordance with and further to the explanatory notes to the agenda for the 2020 annual general meeting of shareholders, to adopt the remuneration policy for the members of the Board with effect from the beginning of the financial year 2020.*

**Agenda item 14: Authorization of the Board to acquire ordinary shares in the capital of the Company (voting item)**

Under Article 10 of the Articles of Association and Dutch law, the Company may, subject to certain statutory Dutch law provisions, acquire for consideration and hold, hold as pledgee and/or hold through its subsidiaries, up to fifty percent (50%) of the Company's issued share capital. Any acquisition of shares in the Company's own capital for consideration is subject to the authorization of the General Meeting, which authorization shall be valid for no more than eighteen (18) months.

The General Meeting has most recently granted such authorization, subject to certain limitations, in the 2019 AGM, which authorization was effective as of, and for a period of eighteen months from, the date of the 2019 AGM. In Dutch corporate practice, an annual renewal of the authorization is customary.

It is now proposed to authorize the Board to perform acquisitions by the Company of up to 50% of the issued share capital of the Company from time to time, by any means, including through derivative products, purchases on any stock exchange, through any private purchase or block trade, or otherwise, for a price or value that is between nil and an amount which is not higher than 110% of the average market price of such ordinary shares on Euronext Paris (such average market price being the average of the closing prices on each of the 10 consecutive trading days preceding the second day prior to the date the acquisition is agreed upon by the Company), for a period of eighteen (18) months with effect from the AGM, exclusive of any fees, commissions or other expenses related to such acquisitions, all subject to the limitations provided for in Article 10 of the Articles of Association and Dutch law.

***Proposed resolution***

*In accordance with and further to the explanatory notes to the agenda for the 2020 annual general meeting of shareholders, to authorize the board of directors to perform acquisitions by the Company for a period of eighteen (18) months with effect from the 2020 annual general meeting of shareholders. The number of ordinary shares to be acquired pursuant to this authorization, the manner in which such shares may be acquired and the limits within which the price must be set have been specified in the explanatory notes to the agenda.*

**Agenda item 15: Delegation of the authority to issue ordinary shares and special voting shares and to grant rights to subscribe for such shares (voting item)**

Under Article 6 of the Articles of Association and Dutch law, the General Meeting may delegate to the Board the authority to resolve upon the issuance of ordinary shares and special voting shares and to grant rights to subscribe for such shares. Such delegation shall only be valid for a specified



period of not more than five (5) years and may from time to time be extended by the General Meeting with a period of not more than five (5) years.

The General Meeting has most recently delegated the authority to resolve upon the issuance of ordinary shares and special voting shares and to grant rights to subscribe for such shares, in the 2019 AGM. In Dutch corporate practice, an annual renewal of the authorization is customary.

It is now proposed to delegate to the Board the authority to resolve on the issuance of ordinary shares and special voting shares up to the maximum number allowed to be issued under the Company's authorized share capital as stipulated in the Articles of Association from time to time, and to grant rights to subscribe for such ordinary shares and special voting shares up to such maximum number, for a period of five (5) years with effect from this AGM, which delegation shall include the authority to determine the price and further terms and conditions of any such share issuance or grant.

***Proposed resolution***

*In accordance with and further to the explanatory notes to the agenda for the 2020 annual general meeting of shareholders, to delegate to the board of directors the authority to resolve on the issuance of ordinary shares and special voting shares up to the maximum number allowed to be issued under the Company's authorized share capital as stipulated in the articles of association of the Company from time to time, and to grant rights to subscribe for such ordinary shares and special voting shares up to such maximum number, for a period of five (5) years with effect from the 2020 annual general meeting of shareholders, which delegation shall include the authority to determine the price and further terms and conditions of any such share issuance or grant.*

**Agenda item 16:            Delegation of the authority to limit and exclude pre-emption rights in respect of any issue of ordinary shares or any granting of rights to subscribe for such shares (*voting item*)**

Under Article 7 of the Articles of Association and Dutch law, the General Meeting may delegate to the Board the authority to limit or exclude the pre-emption rights in respect of any issue of ordinary shares or granting of rights to subscribe for such ordinary shares.

The General Meeting has most recently delegated the authority to limit or exclude the pre-emption rights in respect of any issue of ordinary shares or granting of rights to subscribe for such ordinary shares, in the 2019 AGM. In Dutch corporate practice, an annual renewal of the authorization is customary.

It is now proposed to delegate to the Board the authority to limit or exclude the pre-emption rights in respect of any issue of ordinary shares or granting of rights to subscribe for such ordinary shares, for a period of five (5) years, with effect from the AGM.

***Proposed resolution***

*In accordance with and further to the explanatory notes to the agenda for the 2020 annual general meeting of shareholders, to delegate to the board of directors the authority to limit or exclude the pre-emption rights in respect of any issue of ordinary shares or granting of rights to subscribe for such ordinary shares, for a period of five (5) years, with effect from the 2020 annual general meeting of shareholders.*

The Board of Directors

May 5, 2020