

#TomorrowStartsToday



# 2023 NON-FINANCIAL REPORTING DECLARATION

VITALITY | GENEROSITY | RESPONSIBILITY | AUTHENTICITY

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# 1

# GENERAL INFORMATION

COLLECTIVELY COMMITTED TO SUSTAINABLE PROGRESS

- EDITORIAL
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- GOVERNANCE
- CONTEXT AND TRENDS
- PURPOSE AND STRATEGY
- BUSINESS MODEL AND VALUE CHAIN
- MAIN NON-FINANCIAL RISKS
- STAKEHOLDER CONSULTATION
- PERFORMANCE INDICATORS

DECATHLON IS COMMITTED TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



SUSTAINABLE DEVELOPMENT GOALS

7 AFFORDABLE AND CLEAN ENERGY



8 DECENT WORK AND ECONOMIC GROWTH



10 REDUCED INEQUALITIES



12 RESPONSIBLE CONSUMPTION AND PRODUCTION



13 CLIMATE ACTION



17 PARTNERSHIPS FOR THE GOALS





# Editorial

**Barbara  
MARTIN COPPOLA**

CEO of Decathlon

**2023 was a decisive year for Decathlon and its transformation. In a world where uncertainty has become the norm, with geopolitical and climate crises as well as rising inflation, the company has worked to demonstrate its strength and adaptability. For over a year now, our 100,701 teammates have been guided by our new purpose — “Move people through the wonders of sport” — demonstrating resilience and equipped with the vitality, generosity, responsibility and authenticity that is so typical of them. It is thanks to every one of them that we were able to make significant progress on our five strategic pillars<sup>1</sup>, notably for sustainability.**

Despite a turbulent global context and major changes made within the company, I am proud to observe their commitment to building a new era for Decathlon with passion every day. The results of our most recent internal survey reflect their dedication, with 93% of our employees saying they are proud to come to work every day, and 89% of the 71,307 respondents stating that they contribute to our purpose.

To build Decathlon's future and support our teammates through these major structural changes, we are evolving our training courses to make them more uniform, to measure each individual's skills development more precisely, to accelerate digitalisation and to meet our new needs. Appropriate change management is essential if we are to improve efficiency, raise our level of excellence and achieve our ambitions.

We also need to strengthen our human assets by continuing to promote equity and internationalisation within our teams. This year, the percentage of women in leadership positions rose significantly from 19% in 2022 to 31% in 2023, gradually moving us towards our 2026 target of gender parity. We also made progress in internationalising our management teams, with 27% of leadership from outside France at the end of 2023 (15% at the start of 2022). All the actions we have taken for our teammates also positioned us in 24<sup>th</sup> place in Forbes' list of the World's Best Employers, all sectors combined (the top French company).

At the same time, Decathlon is committed to having a positive impact along its entire value chain, which is why we support our suppliers every day and ensure that all human issues are addressed locally. This year, 89% of concerned sites for Rank 1 suppliers were rated A, B or C for human responsibility in production - very close to our commitment of 90% by the end of 2026<sup>2</sup>. We also launched efforts to develop responsible remuneration practices among our industrial partners to ensure that their employees are able to meet their own basic day-to-day needs and those of their families.

One of the major challenges of our transformation lies in respecting planetary boundaries. We want Decathlon to play a leading role in the ongoing environmental transition and to become an inspiring model for a sustainable future. For the second consecutive year, we reduced our absolute CO<sub>2</sub> emissions (10% less than in 2022) while still managing to increase sales. We are boosting our ambitions further by following new medium- and long-term trajectories on Scopes 1, 2 and 3 in order to contribute to the global goal of “net zero emissions” by 2050.

Thanks to the hard work of our design, production, supply and retail teams, Decathlon's sales generated from products benefiting from an ecodesign approach have been multiplied by 3.7 since 2021, reaching 38.8% this year. Our employees have also designed truly innovative products, such as the Yulex 100 wetsuit, which is made from natural rubber to avoid using neoprene; this is a first in the sporting goods market. We also focused on circularity in 2023, increasing sales from rentals, repairs and second-life by 24.7% (€420 million).

To reach our objectives, it is crucial to work together with all our stakeholders and speed up decarbonisation wherever we can have an impact. We helped fourteen of our industrial partners sign major financial contracts for renewable electricity in Mainland China, reaching a major milestone in 2023. This investment will finance an offshore solar farm that will double the volume of renewable energy consumed by Decathlon worldwide in manufacturing our products. At the same time, through our support, Rank 1 production sites were able to reduce their coal consumption by 33% compared with 2022.

Much remains to be done to achieve our ambitions, but the progress we made in 2023 is very promising and I have complete confidence in our organisation. Through the dedication of our 100,701 teammates, I am certain that we will build great things for Decathlon in 2024 and beyond. In the coming year, we will unveil our new brand identity and will also have the unique opportunity to showcase Decathlon's values and purpose to four billion spectators through our partnership with the Paris 2024 Olympic and Paralympic Games.

I am convinced that, together, we will have a positive impact on the world. We will introduce our customers to the wonders of sport for a healthier and happier life, while also helping to protect the planet.

1. More information on Decathlon's new strategy on p.28.

2. More information on human audits in production on p.173.

# DECATHLON IN FIGURES

as of 31/12/2023

# 2023 HIGHLIGHTS

## GENERAL INFORMATION

- **The Executive Committee grew to eleven members** (five women and six men), representing six nationalities, p. 16
- **Decathlon's brand portfolio was overhauled**, with gradual roll-out starting in 2024, p. 32

## DEVELOPING PEOPLE

- **Addition of new questions on diversity, inclusion and well-being** in the Decathlon Teammates Barometer internal survey, reflecting the company's new purpose, p. 137
- **Increase in the number of women in senior positions**, p. 139
- **Overhaul of the skills development model, with the construction of the Decathlon University project**, p. 151
- **Launch of work on remuneration** aiming to ensure in-house that 100% of teammates are paid a "living wage" by 2026, and to promote the development of responsible practices among external industrial partners, p. 154 and p. 175
- **Two more countries now have access to employee shareholding:** Indonesia and Luxembourg, p. 155

## PRESERVING NATURE

- **Construction of new medium- to long-term carbon reduction trajectories** to contribute to the global goal of "net zero emissions" by 2050, p. 50
- **Reduction in Decathlon's absolute carbon emissions** for the second consecutive year, p. 52
- **Definition of a first biodiversity trajectory** aimed at reducing Decathlon's annual impact on terrestrial ecosystems, p. 95
- **Sales growth** generated by products benefitting from an ecodesign approach, p. 106
- **Update of the framework aiming to minimise Decathlon's use of conventional materials** and to switch to materials that help the Group reduce its environmental impact, p. 110
- **Encouraging growth in circular sales** and the gradual deployment of activities related to the economy of use, p. 116

## CREATING SUSTAINABLE VALUE

- **Update made to the list of positions most at risk and the third-party evaluation strategy** for corruption and influence peddling, p. 204
- **Implementation of a new supplier risk management process** for direct purchases, p. 209
- **Launch of an external ESG supplier evaluation process** for indirect purchases, p. 213

# GOVERNANCE

## Organising for more sustainable performance



### 2023 HIGHLIGHTS

Decathlon's Executive committee has grown, with eleven members (five women and six men) representing six nationalities.

In 2023, the Finance department was renamed the Financial and Non-Financial department in order to broaden its traditional finance roles to include global value creation that takes ESG issues into account.

Because sustainable development issues have a strong impact on the business model, the Environmental Transition committee's responsibilities are now covered directly by the Strategic committee.

Decathlon was founded in 1976 and is based on a unique governance system that:

- ensures the stability and independence of its governance bodies (family shareholders, board of directors and general management)
- pays close attention to project coherence and long-term outcomes, with the involvement of employees (most of whom are shareholders)
- encourages a high level of agility by empowering teammates who work closely with customers

Decathlon's corporate governance bodies acknowledge the importance of human and environmental issues, so they place sustainable development at the heart of their strategies and ensure it is deployed throughout the entire organisation.

KEY FIGURES as of 31/12/2023

**3** Leaders' Summits brought together 300 of the company's business leaders<sup>1</sup> 3 in 2022

**45.5% women and 54.5% men on the Executive committee** 30% women and 70% men in 2022

**6** nationalities represented on the Executive committee 5 in 2022

1. This event brings together the members of the Executive committee and close to 300 business leaders (production, industrial processes, sports, countries and services) for several days. The purpose of this meeting is to share the company's business project and strategic pillars.



## Decathlon's global governance system

### THE BOARD OF DIRECTORS

Decathlon's board of directors is the guarantor of the company's long-term strategic vision; it defines the broad guidelines and ensures they are implemented while taking social, environmental and corporate ethics, as well as compliance issues, into account. It had seven members as of 31 December 2023.

In carrying out its activities, the board of directors also relies on the Strategic committee and its specialised committees.

In 2023, a censor was appointed to the board of directors to report to the board on compliance matters.

### Composition of the board of directors

as of 31/12/2023



|                                                |                                               |                                               |
|------------------------------------------------|-----------------------------------------------|-----------------------------------------------|
| <b>7 members</b><br>2 employee representatives | <b>Average age:</b><br><b>51</b><br>years old | <b>Average length:</b><br><b>5.6</b><br>years |
|------------------------------------------------|-----------------------------------------------|-----------------------------------------------|

### THE STRATEGIC COMMITTEE AND SPECIALISED COMMITTEES

The Strategic committee advises and guides the board of directors on issues most strategic for the company. The Strategic committee is responsible for:

- challenging and approving the strategic directions established by the Executive committee
- challenging and approving people issues
- challenging and approving the trajectory set by the Executive committee and ensuring the consistency of performance

The members of the Strategic committee, plus two external experts, meet to assess environmental strategy issues and the pace of transformation. More information on p.19.

To improve efficiency and relevance, the Strategic committee delegates certain topics to two specialised committees:

- The Audit and Finance committee, more information on p.19.
- The People and Sharing committee, more information on p.19.

### THE EXECUTIVE COMMITTEE

Barbara Martin Coppola (CEO) was leading the eleven-member Executive committee as of 31 December 2023. This committee oversees the company's various functions:

- retail
- digital
- products and sports
- value creation
- human resources
- environmental transition
- supply chain and logistics
- industry and production
- marketing, communication and customer experience
- alliances and new business opportunities

Its role is to define Decathlon's project and strategy and to lead its implementation. It meets monthly and reports to the board of directors every eight weeks.

- On 14 June 2023, the CEO appointed a compliance referent to the Executive committee for issues related to business ethics, for social, environmental and human risk prevention and remediation, and for personal data protection and non-financial reporting. The referent monitors the effectiveness of the anti-corruption compliance system, the Duty of vigilance, personal data protection and external non-financial reporting. The compliance referent also promotes and ensures compliance with the general principles relating to these subjects, and ensures that the means needed to fulfil related regulatory obligations are implemented.

- The Ethics commission ensures respect of the values and ethical principles set out in Decathlon's Code of conduct. It supervises the management of internal investigations into reports regarding potentially illegal conduct or acts and/or breaches of Decathlon's ethics and compliance procedures and policies. The Ethics commission is chaired by the CEO. It is convened by one of its permanent members as often as is necessary (one meeting was held in 2023).

- The Appointment commission backs Decathlon's ambitions and requirements in its recruitment and appointment process for the 300 positions in the company with the highest responsibilities. It also works to strengthen international talent management. The Appointment commission meets as often as is necessary, in order to:

- develop diversity within teams, to serve performance
- ensure the transversality of appointments and the right balance of international talent
- retain young talent
- retain, recognise, and maintain talent where it can create strong value

Ad hoc Appointment commissions can also be created within the company's business lines as needed (12 meetings were held in 2023).

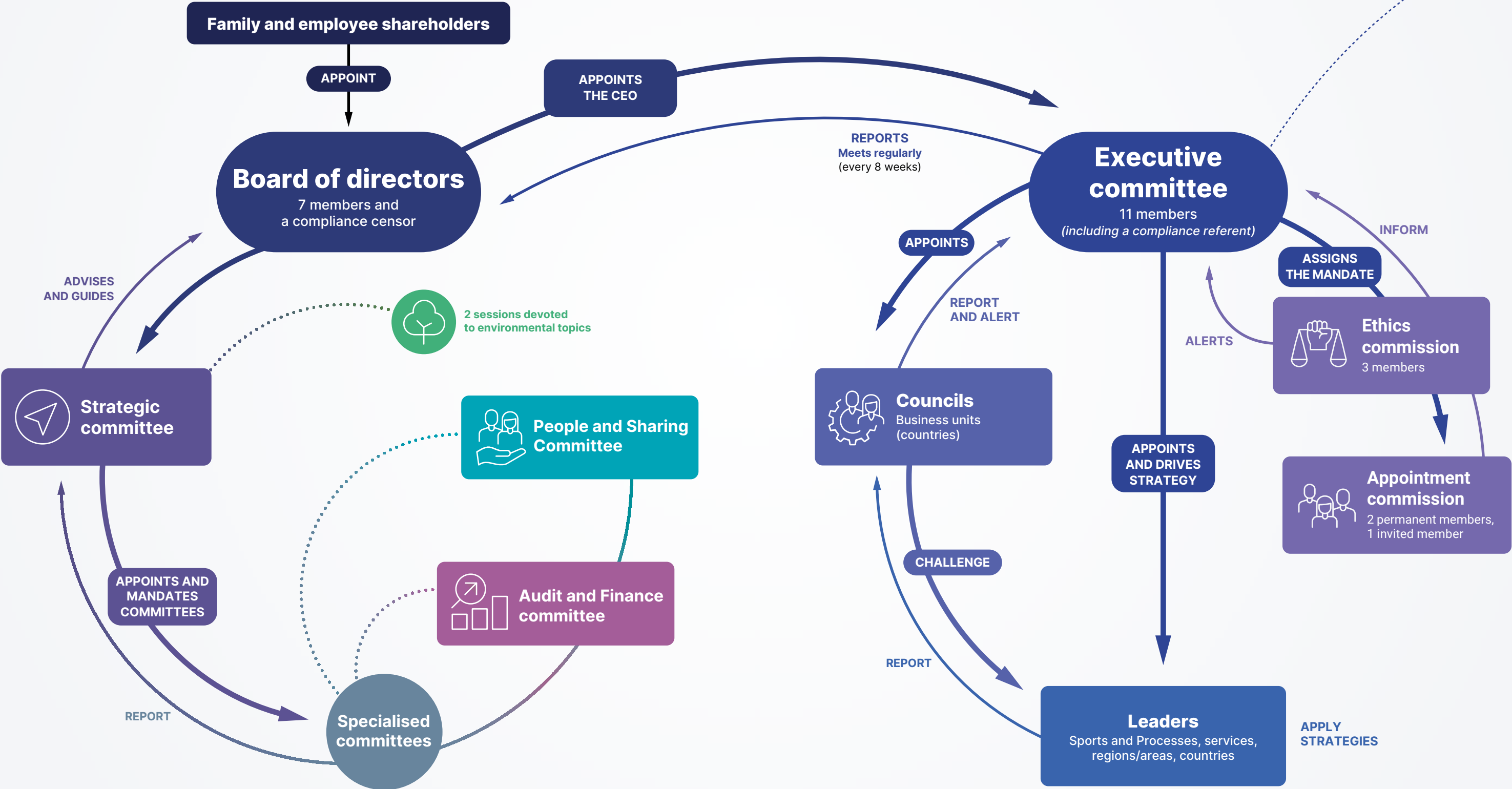
- Consultants support and challenge the strategic orientations and biases of the main operational units (countries, sports, services, etc.). They meet three or four times a year.



SEE DECATHLON'S GENERAL GOVERNANCE DIAGRAM ON THE FOLLOWING PAGES

# DECATHLON'S GLOBAL GOVERNANCE SYSTEM

as of 31/12/2023



## Executive committee



**Barbara MARTIN COPPOLA**  
Chief Executive Officer



**Franck VIGO**  
Chief of Strategic Alliances  
and New Business



**Jimena ALMENDARES**  
Chief Digital Officer



**Anna TURRELL**  
Chief Sustainability Officer

11 members



**45.5%**  
women



**54.5%**  
men



**Ghita BENKIRANE SOUFLET**  
Chief of Staff



**Miguel RUIZ**  
Chief People Officer



**Fabien BROSSE**  
Chief Products & Sports Officer



**Javier LÓPEZ**  
Chief Value Chain Officer



**Céline DEL GENES**  
Chief Customer Officer



**Jean-Marc LEMIÈRE**  
Chief Value Officer



**Steve DYKES**  
Chief Retail & Countries Officer

**6**  
nationalities

Average age:  
**48**  
years  
old

Governance of ESG issues



MAPPING NON-FINANCIAL RISKS

The Internal Audit and the Sustainable Development teams rely on a **principle of co-construction** to identify the most significant non-financial risks. By working together, they combine the risk identification and quantification methodology with expertise on sustainable development topics.

The preliminary identification of risks is based on the expertise of operational staff who are best qualified to express their vision of reality. This information is gathered through interviews, consultations and documentary analyses, following which a summary report is drafted. Once the risks have been identified, quantification work is undertaken to **determine the probability of the non-financial risks occurring and the severity of the repercussions.**

In the case of climate risk, for example, two main sets of risks have been identified:

- **Endogenous risks**, related to the impact of Decathlon's activities on the environment
- **Exogenous risks** which are the risks that Decathlon faces due to climate change at the planetary scale

Risks are assessed and then prioritised using pre-established and quantified scales. They are subsequently presented in the form of a mapping<sup>2</sup> approved by the Executive committee and the Audit and Finance committee. This is used to draft an audit plan that assesses the level of risk coverage.

COMMITTEES AND ESG ISSUES

Several committees have been set up to ensure that all components enabling responsible development are present at Decathlon's highest levels. They are responsible for conducting discussions resulting in sustainable in-depth decisions that are taken at the same level as those that enable the company to be responsive, agile and continually adaptive, to attain both medium- and long-term results.

The Strategic committee and environmental issues

**Given the strategic importance of environmental issues for Decathlon's long-term success, the Strategic committee took on the responsibilities of the Environmental Transition committee directly<sup>3</sup> in 2023.**

Changes to major environmental indicators are analysed systematically at each Strategic committee meeting.

**In 2023, the Strategic committee dedicated two meetings to specific priority topics:**

- Deployment of environmental challenges in the company and their inclusion in teammates' missions and responsibilities
- Reduction of CO<sub>2</sub> emissions
- Development of the use of renewable energy sources in production
- Sales of products benefitting from an eco-design approach
- Development of activities related to the circular economy
- Strategic guidelines for biodiversity and the choice of raw materials used
- Presentation of the new strategic sustainable development project for 2030



People and Sharing committee

As an offshoot of the Strategic committee, the People and Sharing committee is composed of representatives of family shareholders and external experts.

It is responsible for:

- preserving culture and fundamental human values
- assessing human indicators (including commitment, staff turnover, diversity and inclusion, training and accident rate, etc.)
- approving the sharing policy
- challenging remuneration schemes
- monitoring replacement scenarios for key positions
- maintaining *affectio societatis*<sup>4</sup>

**The People and Sharing committee met three times in 2023.**

The Audit and Finance committee

As an offshoot of the Strategic committee, the Audit and Finance committee is composed of representatives of family shareholders and external experts.

Its duties include:

- assessing the internal control system and its three lines of defence
- challenging the company's risk mapping
- approving the annual internal audit plan and guaranteeing the independence of the internal audit
- appreciating the proper establishment of compliance
- monitoring cybersecurity issues
- approving financial, legal and fiscal autonomy frameworks

**In 2023, the Audit and Finance committee met six times.**

The Executive committee

**The Executive committee regularly** examines environmental and human issues. It holds quarterly reviews over two days throughout the year to monitor and challenge strategic sustainable development initiatives in depth.

**Eight members of the Executive committee received two-hour in-person anti-corruption training** in May 2023. This course addressed various topics, including extraterritorial anti-corruption laws, corruption risks and associated sanctions, Decathlon's anti-corruption programme, rules regarding gifts and entertainment, etc.

In 2024, a new training session will be offered to new members of the Executive committee having recently joined the company.

Two new Executive committee members (Anna Turrell and Jimena Almendares) also followed the **international onboarding programme** created in 2023 for teammates hired in senior positions<sup>5</sup>. Half a day was dedicated to **gender equity issues** during this programme.

3. More information in the NFRD 2022 on p.132.  
4. *Affectio societatis* is a Latin phrase that designates the intent necessary to form the bond that brings together people who have decided to take a stake in the capital of a commercial or non-commercial company.  
5. More information on the integration programme on p.152.

2. More information on risk mapping on p.34.

INCLUDING ESG CRITERIA  
IN EXECUTIVE REMUNERATION

Social and environmental issues are incorporated in the variable part of Executive committee member remuneration via an annual bonus, half of which is based on the following two ESG indicators:

- Reduction of CO<sub>2</sub>e emissions in absolute terms
- Employee contribution to the company's purpose "Move people through the wonders of sport"<sup>6</sup>

The annual bonus is up to 30% of the base salary.

The indicators and scales for this annual bonus are reviewed each year to ensure that compensation continues to be aligned with the company's strategies and ambitions. They are proposed by the Human Resources, Sustainable Development and Finance departments, and are approved by the company's general management and by the People and Sharing committee.

Also, **four social and environmental indicators were added to Decathlon's long-term incentive plans** for Executive committee members in 2021:

- Gender equity in top management
- International representation in top management
- Reduction of CO<sub>2</sub>e emissions in absolute terms compared to 2021
- Circular economy sales

Through this remuneration system, the company seeks to promote employees who are particularly good at creating value and driving change, thereby retaining them for Decathlon's long-term performance.

THE STRATEGY AND ITS STEERING

People and the environment are at the heart of Decathlon's corporate strategy, constituting two of its five pillars<sup>7</sup>. These pillars are led by the Chief Sustainability Officer and the Chief People Officer, both of whom are members of the Executive committee. **Decathlon's sustainable development strategy (ESG) is also reflected today in the 2020-2026 Transition Plan<sup>8</sup>**, a document that can be updated annually based on the lessons learned from company experiences and changing scientific knowledge, methodologies and issues. This Transition Plan is built on three pillars:

1. Developing people
2. Preserving nature
3. Creating sustainable value

Through this organisation, skills can be shared at different levels:

- **Sustainable development process leaders and Group people leaders** are experts in their topic; they apply the strategies every day and steer the sustainable performance indicators
- **Sustainable development leaders and human resources leaders in the countries** are true relays of these strategies and make decisions for their regions

All these players work together to guarantee consistent implementation of the Transition Plan.

The Sustainable Development department

The Sustainable Development department's mission is to "catalyse Decathlonians to reconcile human well-being and planetary boundaries through sport". Its organisation is based on several pillars that aim to:

- define a desirable future
- transform all Decathlon activities to include the environmental transition
- drive and report on the company's non-financial performance
- build and develop careers dedicated to sustainable development

Staff dedicated to these topics are supported on a daily basis by teams specialised in communication, legal affairs, information technology and human resources.

The sustainable development department is also linked to various operational networks:

- **Sports and Processes networks** for the ecodesign of components and products
- **Production networks** located around the world, providing vigilance for the respect of fundamental human rights and the environment when manufacturing Decathlon products
- **Logistics and retail networks** to develop local strategies related to the environmental transition
- **Communication teams in stores** to develop awareness and information on sustainable development (environmental management of energy and waste, second life products, etc.) for customers and users

→ IN 2023

In July 2023, Barbara Martin Coppola appointed **Anna Turrell as the new Chief Sustainability Officer**.

Following this appointment, **a new sustainable development strategy was created** and presented to the Strategic committee in November. This strategy will be deployed in 2024 and will encompass Pillar 2 of the 2023-2026 business plan<sup>9</sup>, while going further with new medium-term ambitions set for 2030.

Operational networks will also be strengthened to ensure the strategy is implemented in the various countries in which the company operates.

The Human Resources department

The Human Resources department defines human policies, and supports leaders and teams in implementing and deploying them locally. This collaboration relies on Group people leaders who guarantee the conditions for the teams' success and performance, and who measure the creation of sustainable human value.

Every year, an, **international Decathlon Teammates Barometer (DTB) survey measures the deployment and practical implementation of concrete human strategies**, as well as the degree of teammate fulfilment and performance. The DTB is a reflection of teammate involvement and engagement at Decathlon; as a structuring measurement tool, it enables the company to assess the effectiveness of its people policies.

The Legal and Compliance department

As the Group's guarantor of legal certainty, the Legal and Compliance department provides information on legal opportunities and risks, and compliance both locally and globally, sharing recommendations and best practices.

The Legal and Compliance department is organised around two main topics:

- **"Business" law**, covering subjects of business law such as intellectual property, competition law, corporate law, legal support for sustainable development issues, consumer law, commercial law, insurance, etc.
- **Compliance**, which includes business ethics, Duty of vigilance, personal data protection, strategic tariffs, as well as non-financial reporting since June 2023

INTEGRATING FINANCIAL  
AND NON-FINANCIAL ISSUES

Evolving finance positions

Given the scale of environmental and social challenges in the world today, and Decathlon's evolving business model (larger and more complex), the company is working to develop the scope of responsibilities of its finance staff. **In line with the company's purpose, Decathlon's traditional finance roles are now being expanded to global value creation that takes ESG issues into account**. With this in mind, the Finance department was renamed the Financial and Non-Financial department in 2023.

By 2026, every teammate in the department will be required to **help the company achieve its financial, social and environmental objectives by guaranteeing reliable measurements, guiding performance and allocating capital to the most worthy projects**. This process was begun in 2023 and extending responsibilities will be continued in 2024, with the introduction of a new training system to develop the skills necessary for this transformation.

Sustainability-linked loans (SLL)

Decathlon has been incorporating ESG criteria in some of its bank credit lines since March 2020. The sustainability-linked loan project symbolises the link between financial value and long-term investments. It was set up by Decathlon in partnership with Ethifinance<sup>10</sup>, a non-financial analysis agency that conducts a yearly analysis of the relevance of non-financial indicators. These ESG criteria have already been incorporated in long-term financing contracts with eleven banking partners (including Crédit Agricole CIB and Natixis), either through amendments to existing contracts or by including these criteria in new contracts.

**In 2023, 71.3% of the value of medium-term bank loans taken out by Decathlon was linked to the analysis of ESG criteria** (70.5% in 2022). The goal is for 100% of medium-term bank loans to be linked to ESG by 2025. The evaluation criteria are: product ecodesign, employee and customer satisfaction, the results of environmental and social audits in production, and CO<sub>2</sub> intensity.

This contract is based on a desire for continuous improvement by the various players: demonstrating the company's performance and resilience through non-financial indicators can result in more attractive interest rates from banks that respect Decathlon's sustainability convictions. It also offers banks a way to finance more sustainable activities. All changes in credit margins resulting from this partnership are donated to associations.

This analysis also prepares the company for a banking evaluation based on ESG criteria, which are becoming more widespread. By getting a head start and using indicators that make sense for the company, Decathlon is enabling long-term assessment that allows financiers to look to the future.



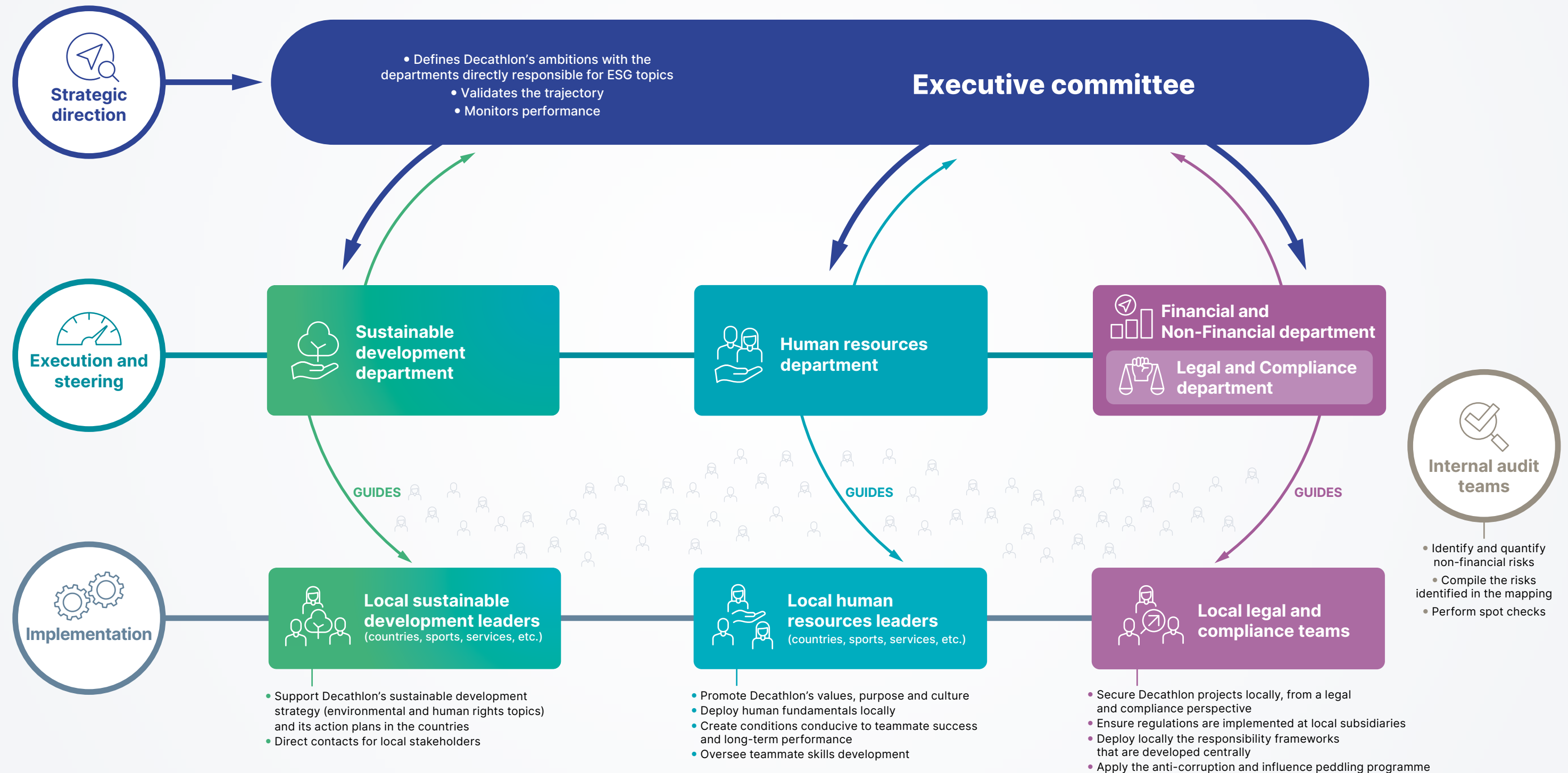
SEE DECATHLON'S GOVERNANCE OF ESG ISSUES  
DIAGRAM ON THE FOLLOWING PAGES

6. This indicator takes into account the responses to the following four questions in the Decathlon Teammates Barometer (DTB) internal survey:  
1. I know Decathlon's new purpose: "Move people through the wonders of sport"  
2. The purpose "Move people through the wonders of sport" motivates and guides my daily actions.  
3. I know Decathlon's project (the five strategic pillars)  
4. I contribute to Decathlon's project (the five strategic pillars) through my responsibilities.  
More information on the DTB results on p.137.  
7. More information on Decathlon's new strategy on p.28.  
8. For more information on the Transition Plan: <https://sustainability.decathlon.com/>.  
9. More information on p.28.

10. For more information on Ethifinance: <https://www.ethifinance.com/en>.

# GOVERNANCE OF ESG ISSUES

as of 31/12/2023



# CONTEXT AND TRENDS

## The global sports goods market

Decathlon manages its activities on the global market, with a commercial presence in 57 distribution countries/regions and production activities in 45 countries/regions. The area of activity is specialised distribution with the following three sub-sectors: manufacturing sports goods, retailing sports and leisure goods, and sports-related activities. The distribution is fulfilled by pure-players and non-specialised distributors (sports sections in department stores, distributor chains and independent distributors). In terms of consumption, sports goods are used both for sports practice and for extended uses (casual wear, streetwear and outdoor wear). The distribution is across multiple channels: physical stores (big box stores to convenience stores) and e-commerce. After a sales decrease in 2020 due to the COVID-19 crisis, the sports sector returned to growth in 2021 and 2022, reaching an estimated €550 billion<sup>12</sup>. In 2023, market growth had been estimated at 4% at constant exchange rates, but slowed due to high inflation. In this context, Decathlon expects moderate cumulative growth of 17% over the 2024-2027 period.

 **3<sup>rd</sup> global player in the market<sup>12</sup>**

### Decathlon's competitive advantages:

- Human values of vitality, generosity and authenticity
- A value of responsibility that allows it to be daring
- Committed teams
- A strong culture for product innovation
- An integrated value chain
- Unique knowledge of sport and users
- Products accessible to everyone

## Five major changes to help Decathlon evolve

- 1

Offer all types of possibilities to customers

Switch from providing sports equipment to offering customers a chance to try a sport and excel in it
- 2

Create innovative solutions

Switch from creating ingenious products to introducing innovations within connected solutions
- 3

Excel at all levels

Switch from a wide range of products and recognition offered to beginners, to solutions for all levels of sport
- 4

Be a leader in the environmental transition

Switch from multiple sustainable development initiatives to large-scale implementation of activities compatible with planetary boundaries
- 5

Band together around a unified Decathlon

Switch from performance silos to excellence delivered as a unified company all around the world

## Structuring global trends

|                                                                                                                                                             |                                                                                                                                                                                                                        |                                                                                                                                                                                                                                                                                                                                                                           |                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <br><b>Increasingly fast adoption of new technologies and innovation</b> | <b>5 billion</b><br>active social media users, i.e. 62.3% of the world's population <sup>13</sup>                                                                                                                      | <b>TRENDS</b> <ul style="list-style-type: none"><li>■ Expectations of a complete digital experience</li><li>■ Strong growth of online shopping</li><li>■ Increased demand for innovation, personalised offers and brand interaction</li></ul>                                                                                                                             | <b>→ OPPORTUNITIES &amp; RESPONSES</b> <ul style="list-style-type: none"><li>■ Restore the balance between physical and digital distribution channels</li><li>■ Create innovation ecosystems</li><li>■ Invest in R&amp;D (human, technical and financial resources)</li><li>■ Capitalise on the innovation culture and skills</li><li>■ Invest in start-ups</li></ul>                                                                                             |
| <br><b>Urbanisation of populations</b>                                   | <b>56%</b><br>of the world's population lives in urban areas <sup>14</sup>                                                                                                                                             | <b>TRENDS</b> <ul style="list-style-type: none"><li>■ Need for new sports activities in the urban environment</li><li>■ Growing desire for nature</li><li>■ Rise in sedentariness and obesity</li></ul>                                                                                                                                                                   | <b>→ OPPORTUNITIES &amp; RESPONSES</b> <ul style="list-style-type: none"><li>■ Develop a strategy focused on urban hubs</li><li>■ Offer products better suited to practice in cities (compact, lightweight, etc.)</li><li>■ Fight sedentary behaviour by developing sports coaching</li><li>■ Create ties by offering sports experiences that bring people together</li></ul>                                                                                     |
| <br><b>Climate change and crossed planetary boundaries</b>             | <b>25%</b><br>of the world's population is now exposed to extremely high levels of water stress every year <sup>15</sup>                                                                                               | <b>TRENDS</b> <ul style="list-style-type: none"><li>■ Scarcity of the world's natural resources</li><li>■ Increasing frequency of extreme weather events</li><li>■ Water scarcity in the supply chain</li><li>■ Need to adapt sporting activities to climatic conditions</li></ul>                                                                                        | <b>→ OPPORTUNITIES &amp; RESPONSES</b> <ul style="list-style-type: none"><li>■ Protect playing fields by reducing the environmental impacts of the company's activities</li><li>■ Speed up the transformation towards an economy of use by developing second life products, rentals and repairs</li><li>■ Educate users and teammates</li><li>■ Develop new industrial practices</li><li>■ Design an adapted product offer (extreme cold, extreme heat)</li></ul> |
| <br><b>Changing user expectations</b>                                  | <b>70%</b><br>of consumers say that sustainable development is more important to them now than it was two years ago, and 65% are likely to choose a more sustainable option even if it means paying more <sup>16</sup> | <b>TRENDS</b> <ul style="list-style-type: none"><li>■ Increasing importance given to the reputation of the brand and its products</li><li>■ Increased demand for environmentally responsible products</li><li>■ Need for comfort and a growing demand in the sportswear segment</li><li>■ Search for physical and mental well-being accentuated by the pandemic</li></ul> | <b>→ OPPORTUNITIES &amp; RESPONSES</b> <ul style="list-style-type: none"><li>■ Make strong commitments to the company's long-term development and adapt its business model</li><li>■ Develop environmental labelling on product data files</li><li>■ Offer products that respond to current stylistic trends</li><li>■ Evolve the sports narrative</li></ul>                                                                                                      |

13. We Are Social, Meltwater, "2024 Global Digital Report": <https://wearesocial.com/fr/blog/2024/01/digital-report-2024-les-utilisateurs%2b7trices-des-medias-sociaux-depassent-le-cap-des-5-milliards-dans-le-monde/>.  
14. UN-Habitat, *World Cities Report*, 2022.  
15. World Resources Institute, "Aqueduct 4.0: Updated Decision-Relevant Global Water Risk Indicators", 16 August 2023: <https://www.wri.org/research/aqueduct-40-updated-decision-relevant-global-water-risk-indicators>.  
16. NIQ, "The Green Divide", 2023: <https://nielseniq.com/wp-content/uploads/sites/4/2023/09/NIQ-The-Green-Divide-2023-Global-Download.pdf>.

# MANIFESTO

Decathlon was born out of a friendship between sports lovers who wanted everyone, no matter their level or ambition, to enjoy the wonders of being active.

Fundamental to Decathlon is the desire to make sports accessible to everyone.

But today, humanity's relationship with sport is being challenged. All around the world, billions of people live inactive lives far from playgrounds, forgotten by global brands, and intimidated by the dominating narrative of sport.

We believe that sport belongs to the people.

We hear stories of joy everywhere we go, whether people are playing for the thrill, or training to win. They are talking about a feeling of adventure, the freedom to pick up their gear and go; the delight of riding a bike, running a trail or slicing a ball over the net; seeing the happiness on a child's face; experiencing the fun in something shared. That's what sport is all about.

At Decathlon, we love sport; for the young and the old, for a podium position or just playground tradition. This is why we are building a world of sport that is more ingenious and more responsive to people's lifestyles, with sport solutions that drive health and well-being. Solutions that are inclusive, fair and affordable for all, so everyone—experts and beginners alike—can be moved through the wonders of sport on their own terms, in their own way. Moving them to feel strong and confident, moving them to connect with one another, moving them to live healthier, happier lives.

But for sport to improve lives, we must protect the living and future generations. We want to promote more responsible sports practice and make our business compatible with planetary boundaries.

Using low-impact materials, renewable energy sources and circularity solutions, we will design products that stand the test of time and can be passed down from generation to generation.

This will be our legacy: opening the wonders of sport to everyone through the generosity, ingenuity and passion of our teammates.

Because at Decathlon we move people through the wonders of sport.

## OUR PURPOSE

# MOVE PEOPLE THROUGH THE WONDERS OF SPORT

### MOVE



**1. Physically:**  
help people to live active lifestyles



**2. Emotionally:**  
give joy, foster connections

### PEOPLE

**1.** Make sport accessible to all

**2.** So everyone can live a better life

**3.** So we can protect the planet and all of its inhabitants

### WONDERS OF SPORT

The wonders of sport lie in the joy and pleasure of participating on your own terms.

**This is what drives all decathlon teammates today and what changes the way we address sportspeople and the world**

## OUR POSITIONING

"At Decathlon, we contribute to individual fulfilment by removing physical and emotional barriers so that everyone can experience sport on their own terms."

# MAKE SPORT YOURS

## OUR VALUES

VITALITY | GENEROSITY | RESPONSIBILITY | AUTHENTICITY

# PURPOSE AND STRATEGY

## 1 Customer Experience

Decathlon's end-to-end customer experience is best-in-class in the sports industry

## 2 Sustainability

Decathlon is a driving force and a beacon of light for a sustainable future

## 4 Sports & Countries

Decathlon grows its products' excellence and style in key sports and focuses on winning the most promising geographies

## 3 Value Chain

Decathlon is building a state-of-the-art omni-value chain

## 5 Human

Decathlon is a people-centred, modern company where execution excellence and people-thriving build on each other

### OBJECTIVE

**20%** lower absolute CO<sub>2</sub> emissions by 2026 compared to emissions measured in 2021

### LEVERS

#### 1. Decarbonise the company's activities

Reduce product carbon intensity; invest in sustainable raw materials; support suppliers in using renewable energy sources; decarbonise transport; help transform customer and employee mobility, etc.

#### 2. Optimise the offer and design products that last

Maximise the creation of economic value while reducing CO<sub>2</sub> emissions (work on the construction of the offer by considering the margin/CO<sub>2</sub> ratio per product); develop a product offer serving the circular economy (products that are durable, repairable, recyclable and traceable).

#### 3. Scale up circular business models

Develop business models (second life products, rentals and repairs) to guarantee sport accessibility and value creation.

#### 4. Impact Decathlon's ecosystem through advocacy and mobilisation

### ENABLERS

- Integrated management of environmental performance
- Digital transformation

### TARGETS

**50%** of female leaders by 2026

**90%** of teammates contributing to Decathlon's strategy in 2026

### LEVERS

#### 1. Be people-centric

Decathlon is recognised for its strong culture of sharing: shared purpose, passion, knowledge, responsibility, economic value and respect for integrity are central to the ties it has built with its stakeholders. Its employer brand is known, recognised and desired by all who are passionate about sport and servicing customers.

#### 2. Excel at what we do

Decathlon is renowned for its development programmes, its digital know-how, behaviours and solutions, the quality of human relationships and the effectiveness of its working environment. Teammates feel responsible and empowered to consistently serve our customers better.

#### 3. Attract and grow talent

Decathlon is open to the outside world. It is recognised as one of the most admired employers for young graduates on the road to a professional career.

#### 4. Drive change as one

Decathlon creates an environment and culture conducive to continuous learning to ensure sustainable performances.

# BUSINESS MODEL AND VALUE CHAIN

as of 31/12/2023



**OUR PURPOSE: MOVE PEOPLE** THROUGH THE **WONDERS OF SPORT**

Brand portfolio

As of 31 December 2023, Decathlon offers 36 brands to meet its customers’ sporting needs. Note that the Group has begun work to simplify the clarity and comprehension of its product offerings. Based on the needs of its customers and its distribution countries, the company has decided to overhaul its brand portfolio on three levels.

From 2024, Decathlon will become the main brand visible on its products. Additionally, and to strengthen customer confidence and product credibility, the items for nine sports will bear the following labels:

- Quechua: mountain sports
- Tribord: water sports
- Caperlan: fishing and horseback riding
- Kuikma: racquet sports
- Rockrider: mountain bikes

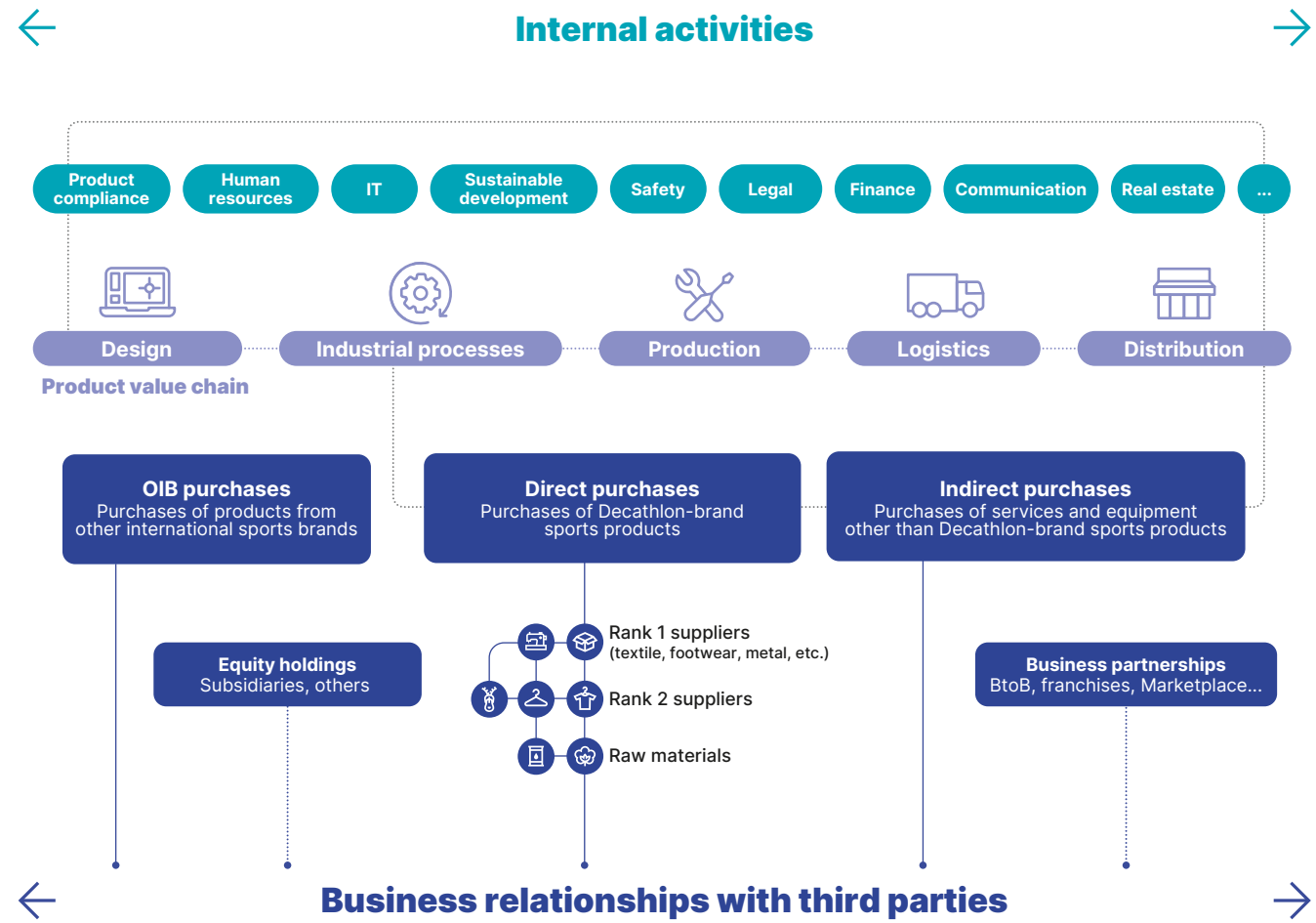
- B'twin: mobility and urban boardsports
- Domyos: fitness sports
- Kipsta: team sports
- Inesis: golf and precision sports

In addition four expert brands will offer a range of products and specific experiences to convince the most demanding sports users.

- Van Rysel: road bikes
- Kiprun: running
- Simond: hiking, climbing and expert mountaineering
- Solognac: hunting

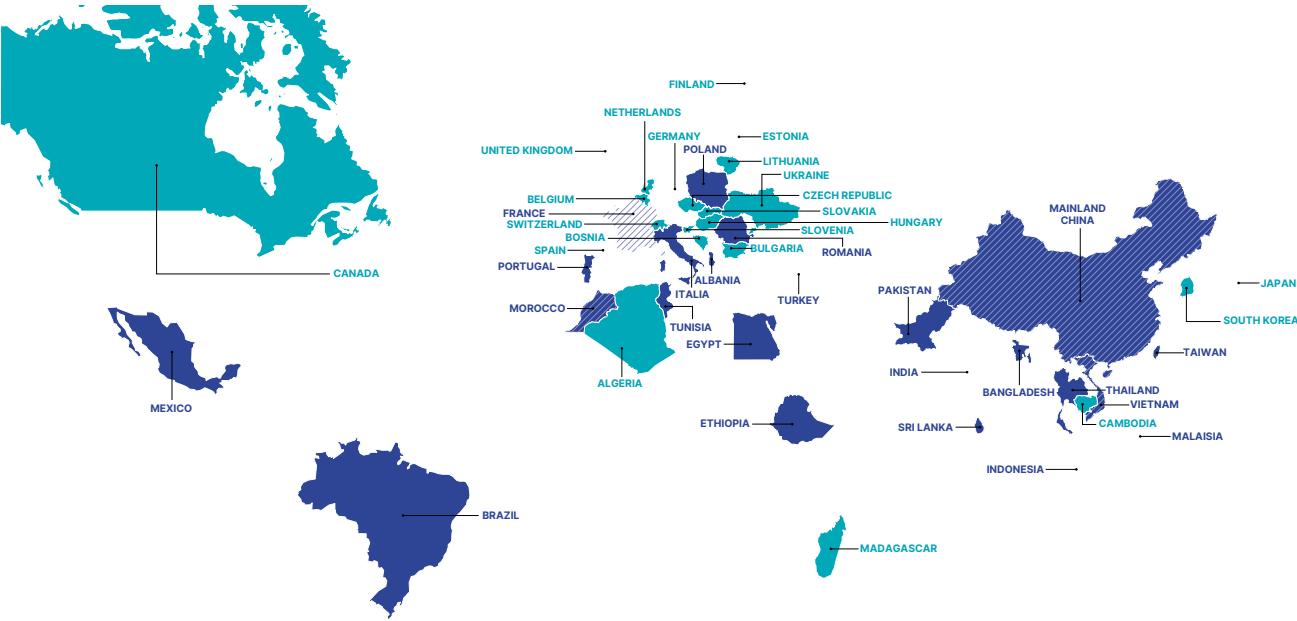
This new brand portfolio will be rolled out over the next three years.

Value chain



Production countries/regions

Decathlon works with suppliers in 45 countries or regions. Some 2,245 teammates manage production in the country or region in which they are located, and if necessary, production in neighbouring countries that do not have a Decathlon production office. The company also owns nine production sites where it manufactures some of its products. The Group is developing the “Decathlon Manufacturing Way” network at these sites to promote operational excellence. This network enables in-house teams and partner suppliers to share ideas and draw inspiration from the best practices known to date.



- Countries/regions with a Decathlon production office (team):  
**Africa:** Egypt, Ethiopia, Morocco, Tunisia | **Americas:** Brazil, Mexico | **North Asia:** Mainland China, Taiwan | **Southeast Asia:** Indonesia, Malaysia, Thailand, Vietnam | **Southwest Asia:** Bangladesh, India, Pakistan, Sri Lanka | **Europe:** Albania, France, Italy, Poland, Portugal, Romania, Turkey.
- Countries/regions with a Decathlon production office:  
**Africa:** Morocco | **North Asia:** Mainland China | **Southeast Asia:** Thailand | **Europe:** France.
- Countries/regions without a Decathlon production office (team present in a neighbouring country):  
**Africa:** Algeria, Madagascar | **Americas:** Canada | **North Asia:** Japan, South Korea | **Southeast Asia:** Cambodia | **Europe:** Belgium, Bosnia, Bulgaria, Estonia, Finland, Germany, Hungary, Lithuania, Spain, Slovakia, Slovenia, Switzerland, the Czech Republic, the Netherlands, the United Kingdom, Ukraine.

Distribution countries/regions



**Western Europe:** Austria, Belgium, France, Germany, Ireland, Italy, Luxembourg, Portugal, Spain, Sweden, Switzerland, the Netherlands, the United Kingdom | **Eastern Europe:** Bulgaria, Croatia, Czech Republic, Estonia, Greece, Hungary, Latvia, Lithuania, Malta, Poland, Romania, Serbia, Slovakia, Slovenia, Ukraine | **Asia-Pacific:** Australia, Cambodia, Indonesia, Malaysia, Philippines, Singapore, Thailand, Vietnam | **Africa and the Middle East:** Algeria, Egypt, Israel, Ivory Coast, Kenya, Morocco, Senegal, South Africa, Tunisia, Turkey | **Americas:** Brazil, Canada, Chile, Colombia, Mexico, Hong Kong, Kazakhstan, Mainland China, South Korea, Taiwan | **India**

# MAIN NON-FINANCIAL RISKS

For Decathlon, a risk is the possibility of an event having consequences potentially affecting the Group’s human, environmental, material, financial or reputational capital.

The company works extensively to assess its main vulnerabilities, to prepare the management of identified risks and reduce their direct impact in order to achieve its different objectives: to create and preserve value, and manage performance gaps. Non-financial risks are steered through internal management and control systems that play a key role in the way the Group conducts and monitors its activities along the value chain: product design, production, logistics and distribution.

| DEVELOPING PEOPLE                                                           | – RISKS                                                                                                                                                                                                                 | + OPPORTUNITIES                                                                                     |
|-----------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|
| People performance, purpose and values                                      | Loss of purpose and lack of clarity regarding corporate values                                                                                                                                                          | Teammate engagement, cohesion                                                                       |
| Employment and skills management                                            | Loss of skills including expertise, insufficient attractiveness, disemployability, inadequate response to development needs, failure to anticipate career changes, loss of connection between teammates and the company | Availability and quality of skills maintenance, talent development                                  |
| Sharing created value                                                       | Reduced remuneration                                                                                                                                                                                                    | Sharing value, participating in company development, project commitment                             |
| Physical safety of people in distribution, logistics and service activities | Accidents, illnesses                                                                                                                                                                                                    | Teammate health and safety, well-being, quality of work life                                        |
|                                                                             | Danger for health during product or service use                                                                                                                                                                         | Customer health and safety, product safety (harmlessness, strength, etc.)                           |
|                                                                             | Accidents, illnesses                                                                                                                                                                                                    | Customer safety instore                                                                             |
| Psychosocial safety                                                         | Psychosocial risks                                                                                                                                                                                                      | Quality of work life                                                                                |
| Fundamental human rights                                                    | Serious violation of human rights, fundamental freedoms, health and safety of teammates, third parties, suppliers and providers                                                                                         | -                                                                                                   |
| Diversity, equity and inclusion                                             | Unfair treatment of teammates, unequal opportunities based on gender, age, cultural background, skills, ethnic origin, nationality, religion or sexual orientation                                                      | Internationalisation, cultural exchanges, multinational performance                                 |
| Customer experience                                                         | Negative image, dissatisfaction, loss of sales                                                                                                                                                                          | Customer satisfaction, referral, loyalty, basket amount, product innovation, new consumption trends |

## METHODOLOGY

This table presents and describes the main non-financial risks identified within the company. Assessment of these risks is ongoing and can be completed in light of changes to the internal and/or external context. The risks are identified and assessed using internal data (from in-house referents, the Executive committee, risk carriers) and external information (e.g., IFACI report). Decathlon performs its analyses in terms of both risks [-] and opportunities [+]. In 2023, the global risk review conducted through the internal audit identified new risks at the Decathlon Group level that were updated in the matrix, with certain occurrences reformulated to improve clarity on the subjects. Under the influence of a new global internal policy, and at a time of increasing regulatory pressure, the Group particularly identified increasing risks for people policies and compliance, as well as physical risks and transition risks related to climate change (stricter regulations, risk of damage to property and injury, scarcity of resources, etc.). See all the risks identified previously in the 2022 NFRD, p. 24.

To control its non-financial risks, Decathlon has a “company referent” (the risk coordinator), who apprehends the risk, defines the autonomy framework (action framework), makes it available and leads it. They circulate it within the community of referents located in the countries. Each leader (manager for the country, region, city, store and/or Signed Sport/Manufacturing Process), with the support of their relay, is responsible for adapting this autonomy framework to the local situation and enforcing it.

| PRESERVING NATURE                                                   | – RISKS                                                                                              | + OPPORTUNITIES                                                                             |
|---------------------------------------------------------------------|------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|
| Climate change                                                      | Physical risks and risks of maladaptation to the environmental transition                            | Energy savings, resource availability                                                       |
| Environmental impacts throughout the value chain                    | Plastic and chemical pollution, biodiversity damage, water, air and soil pollution, waste management | Emission and pollution control, protection and optimisation of resources in the value chain |
| Compliance with environmental & ESG regulations                     | Reputation and legal risks                                                                           | Positive impact on stakeholders                                                             |
| Transformation of the business model to reach environmental targets | Opening up to non-efficient economic partners                                                        | New consumer habits, development of the economy of use and circularity                      |

| CREATING SUSTAINABLE VALUE | – RISKS                                                                                                                    | + OPPORTUNITIES                                                                                                           |
|----------------------------|----------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|
| Cybersecurity              | Unavailability of systems, leakage of internal and external stakeholder personal data, manipulation of company information | Respect and protection of personal data                                                                                   |
| Non-financial data         | Lack of data governance, reliability, integrity, inadequate access                                                         | Data control throughout the value chain, better information management, better decision making, organisational efficiency |
| Business ethics            | Internal and external acts of fraud/corruption                                                                             | Integrity, loyalty, values and moral principles in doing business, trust in business relations                            |

## OTHER RISKS CONSIDERED

Decathlon devotes particular attention to the risks associated with the inappropriate disclosure, loss or modification of its customers' and employees' personal data by complying with the General Data Protection Regulations (GDPR). Decathlon also assesses the influence of external interactions, especially within the framework of the Duty of Vigilance legislation. Other additional risks may exist of which Decathlon is not aware at the date of this declaration, or that are deemed insignificant at this date, and which could have a negative impact on the company in the future.

# STAKEHOLDER CONSULTATION

## Objectives and methodology

At Decathlon, the stakeholder consultation process has three main objectives:

- **Listen to the business ecosystem** and evaluate each group's expectations regarding Decathlon's evolution
- **Identify top-priority ESG issues** to work on and analyse their evolution with respect to previous years
- **Anticipate emerging sustainability issues** so that Decathlon's ESG policy can be updated

Decathlon consulted its stakeholders in 2022 to identify its priority issues using an initial double materiality approach that consults its internal and external stakeholders on impact materiality (inside-out) and financial materiality (outside-in).

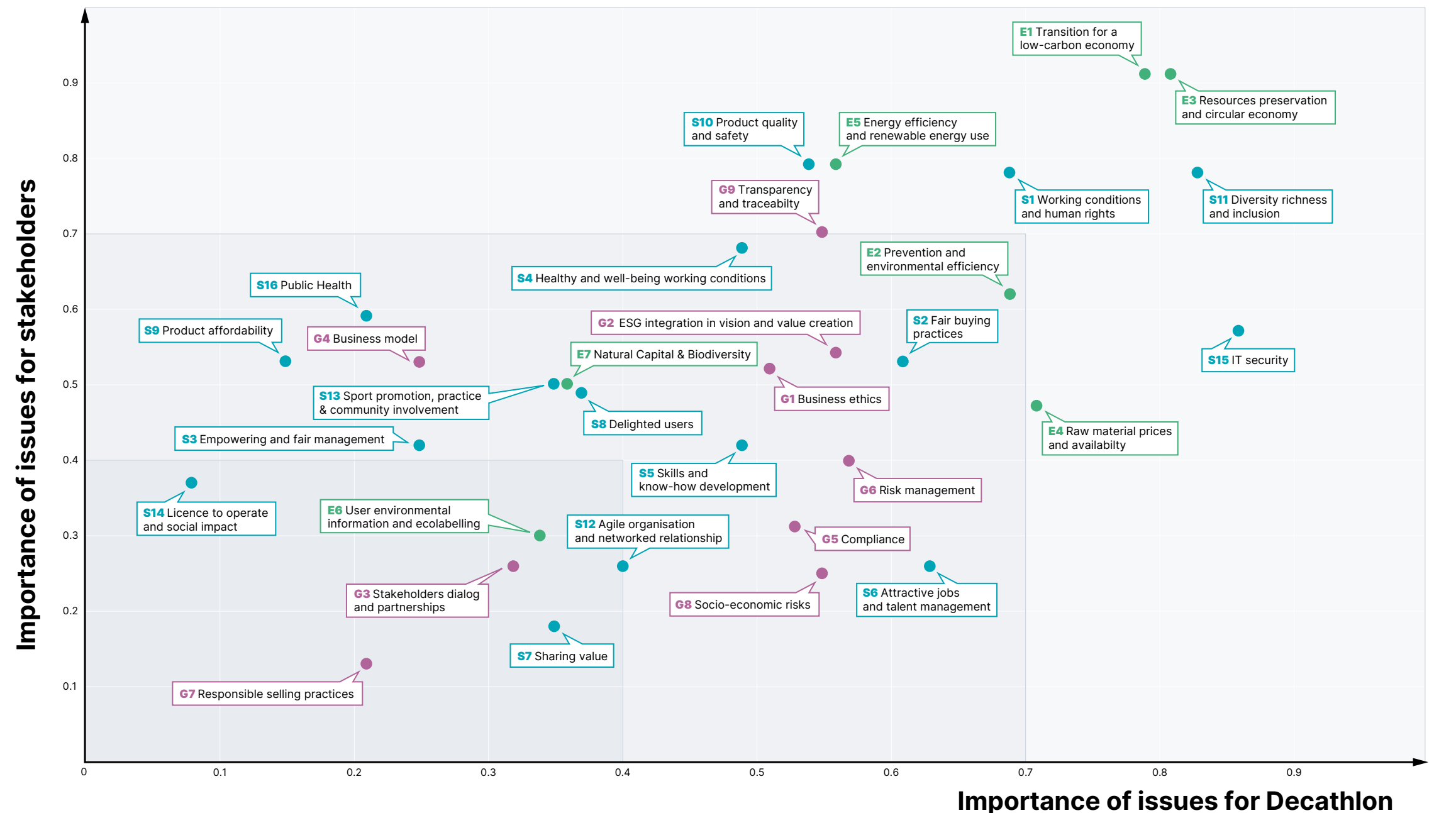
In 2023, Decathlon updated the methodology it uses to consult its internal and external stakeholders to ensure it remains aware of the expectations of its business ecosystem, public opinion, business partners, employees and peers.

Decathlon uses Datamaran<sup>17</sup> to evaluate the opinions of external stakeholders. This tool uses artificial intelligence to analyse a large number of sources based on:

- **the impact assessment approach:**
  - analysing and comparing ESG reports from selected companies
  - analysing voluntary non-binding initiatives issued by self-regulatory bodies in the sector, NGOs or others
  - analysing opinions expressed in the press and online media
- **a financial analysis:**
  - analysing financial reports from selected companies
  - surveying voluntary initiatives of financial markets
  - analysing mandatory regulations establishing financial sanctions and analysing the Sustainability Accounting Standards Board's disclosure requirements<sup>18</sup>

In 2023, the Group evaluated issues concerning internal stakeholders based on a panel of 30 Decathlonians representing the company's activities. These people completed a specific questionnaire that asked for their opinions on the degree of importance (from not important to strategic) of each of the 32 issues in Decathlon's three ESG pillars: developing people, preserving nature and creating sustainable value.

Then, to represent impact materiality and financial materiality, the Datamaran tool consolidated the internal and external data (with fair representation between external and internal data) and mathematically reprocessed this data to position it on a scale from 0 to 1 (from the issue evaluated as the least material to the most material).



17. For more information on Datamaran: <https://www.datamaran.com/>.  
18. For more information on the SASB standard: <https://sasb.ifrs.org/>.

2023 results and analysis

PRESENTATION OF 2023 RESULTS

The results are organised in three priority categories: Rank 1, Rank 2 and Rank 3 issues.  
For 2023, the issues are positioned as follows:

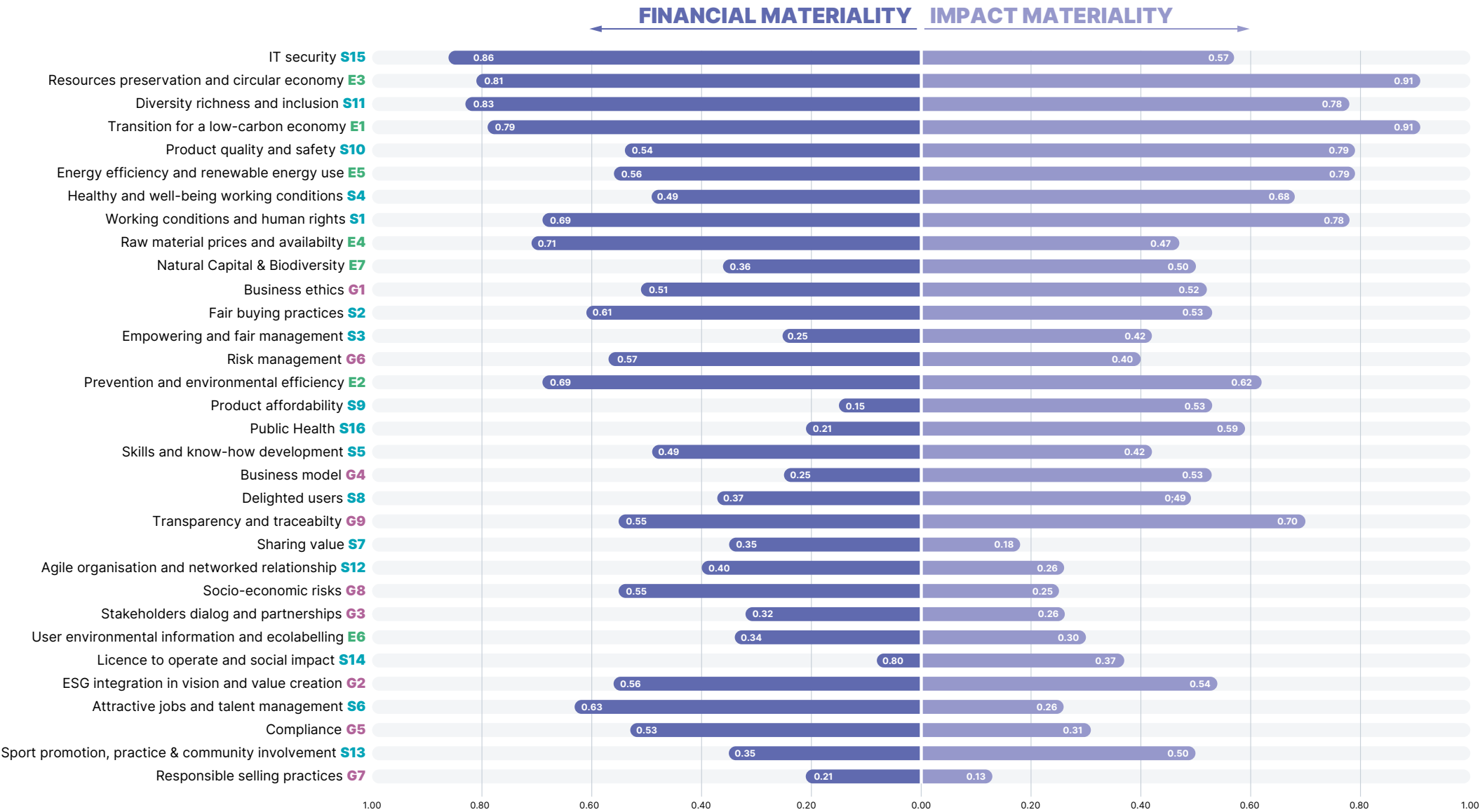
- 1. Rank 1 issues (score greater than 0.7 in at least one of the two materialities): These issues require a high level of performance. At Decathlon, they include the transition to a low-carbon economy, preservation of resources and the circular economy, richness of diversity and inclusion, availability and prices of raw materials, IT security, energy efficiency and the use of renewable energy sources, transparency and traceability, working conditions and human rights, and product quality and safety.
- 2. Rank 2 issues (score between 0.5 and 0.7 in at least one of the two materialities): These issues require more specific action plans. They include prevention and energy efficiency, sustainable value creation, inclusion of ESG issues, risk management, fair purchasing practices, working conditions, health and well-being in working conditions, development of skills and know-how, compliance, socio-economic risks, agile organisation and network relations, attractiveness and talent management, natural capital and biodiversity, business model, promoting sport, engagement of the sporting community, public health, equitable and empowering management, customer satisfaction and product accessibility.
- 3. Rank 3 issues (score below 0.5 in both materialities): Efforts on these issues must be intensified. These issues include environmental information for customers, dialogue with stakeholders and partners, responsible sales practices, value sharing, business license and social impact.

ANALYSIS OF 2023 RESULTS

This year, stakeholders consider the priority issues of the transition to a **low carbon economy, respect for human rights, diversity, inclusion and the circular economy** to be significantly more important.  
**Environmental issues stand out in the analysis with almost all of them trending upwards.** The importance of people subjects in the company (especially training and empowering management) is also evident, as is the sustainable transition of the business model and the inclusion of ESG criteria. The subject of compliance regarding the European Corporate Sustainability Reporting Directive (CSRD)<sup>19</sup> is also a salient element of the analysis.

PROSPECTS

With a view to Decathlon applying the CSRD by 2025, the stakeholder consultation will be an indispensable tool in the double materiality analysis process, which is the cornerstone of future corporate sustainability reporting. Decathlon will take stakeholders' opinions and expectations into account to feed its analysis of impacts, risks and opportunities through the lens of impact materiality and financial materiality, to determine the material issues on which the company will have to report.



Testimonial



Donato CALACE,  
Accounts and Innovation Manager,  
Datamaran

"In 2023, Decathlon continued validating its priority issues, focusing on emerging issues that have an impact on the company, while observing potential impacts on its ecosystem. This solid internal process has helped the Group bring internal beliefs into alignment and improved the acculturation of leadership, laying the groundwork for ESG governance and monitoring, in line with CSRD requirements."



Interview

Frédéric MERLEVEDE,  
Industrial Director and participant in the internal stakeholder consultation

"How do ESG issues and materiality analysis results fit into Decathlon's industrial process?"

A number of factors allow us to take ESG issues into account and incorporate them in Decathlon's industrial process: primarily, being aware of the changing regulatory framework and implementing monitoring methods (performance indicators) and alerts to measure the level of control and risk. By allocating human resources to sustainable development issues and defining collective priorities, we help our suppliers meet Decathlon's expectations, by working to ensure materials are traceable and commitments are respected. Establishing a tool for assigning roles and responsibilities in the industrial project means the playing field can be defined. This framework ensures alerts are addressed appropriately. Lastly, including environmental performance indicators in team bonuses means the teams are held more accountable, which increases their level of commitment.

What did you think of the stakeholder consultation process?

This process is fundamental, because it increases awareness of the various ESG topics and allows for analysis from a broader angle that covers different areas of the company (hiring, finance, etc.)."

19. CSRD: European Directive setting new standards and non-financial reporting obligations.

# PERFORMANCE INDICATORS

| COMPANY FACTS AND FIGURES                                                                                         |  |                                                                                     |  | 2022          | 2023                   |
|-------------------------------------------------------------------------------------------------------------------|--|-------------------------------------------------------------------------------------|--|---------------|------------------------|
| ECONOMIC INFORMATION   SALES                                                                                      |  |                                                                                     |  |               |                        |
| Decathlon sales (excluding taxes)                                                                                 |  |                                                                                     |  | €15.4 billion | €15.6 billion (Note 1) |
| Growth in sales Y/Y-1                                                                                             |  |                                                                                     |  | +11.7%        | +1.14% (Note 2)        |
| % of non-store sales (e-commerce, b2b, external marketplace, etc.)                                                |  |                                                                                     |  | 15.5%         | 15.6%                  |
| % of e-commerce sales                                                                                             |  |                                                                                     |  | 12.4%         | 12.4%                  |
| SALES GENERATED BY PRODUCTS BENEFITTING FROM AN ECODESIGN APPROACH                                                |  |                                                                                     |  |               |                        |
| % of sales generated by products benefitting from an ecodesign approach                                           |  |    |  | 23.03%        | 38.80% (Note 3)        |
| CIRCULAR SALES                                                                                                    |  |                                                                                     |  |               |                        |
| % of circular sales (second life, workshops, rental) - World: (Note 4)                                            |  |    |  | 1.82%         | 2.27% (Note 4)         |
| → % of sales generated by second life products - World                                                            |  |                                                                                     |  | 0.25%         | 0.55%                  |
| → % of sales generated by the selling of products and services for the repair and maintenance of products - World |  |                                                                                     |  | 1.50%         | 1.61%                  |
| → % of sales generated by product rental - World                                                                  |  |                                                                                     |  | 0.07%         | 0.11%                  |
| Quantity of Decathlon & OIB second life products sold worldwide                                                   |  |                                                                                     |  | 731,482       | 1,021,374              |
| % of circular sales (second life, workshops, rental) - France:                                                    |  |  |  | 3.01%         | 3.71% (Note 4)         |
| → % of sales generated by second life products - France                                                           |  |                                                                                     |  | 0.51%         | 0.97%                  |
| → % of sales generated by the selling of products and services for the repair and maintenance of products         |  |                                                                                     |  | 2.45%         | 2.62%                  |
| → % of sales generated by product rental - France                                                                 |  |                                                                                     |  | 0.05%         | 0.12%                  |
| Quantity of Decathlon & OIB second life products sold in France                                                   |  |                                                                                     |  | 293,039       | 385,988                |

**NFRD 2023 methodological notes**

**Note 1:** With growth of 2.4% (excluding the impact of Russia), 2023 was marked by a challenging commercial environment: consumer purchasing power came under strong inflationary pressure, pushing the company away from its initial, more ambitious forecasts. Good management of the cost of goods sold made it possible, from the second half of the year, to lower prices in order to restore customers' purchasing power while preserving Decathlon's margins. E-commerce (12% of sales in terms of turnover) contributed to the increase in the number of products sold, with positive growth of 2.8%.

In 2023, Europe contributed 75% of the company's total growth (at constant exchange rates) and Mainland China returned to sales growth thanks to actions implemented locally.

**Note 2:** At constant exchange rates.

**Note 3:** In 2023, 38.8% of Decathlon's annual sales were generated by products benefitting from an ecodesign approach, compared with its target of 35% (i.e. 3.8 points more than its set target). Since 2021, this share has been multiplied by 3.7, rising from 10.4% of sales in 2021 to 38.8% in 2023. In volume terms, this represents €7.1 billion (including taxes) over the year (an increase of €3 billion compared with 2022) and more than 500 million ecodesigned articles sold (+300 million compared with 2022). As in the previous year, this performance was driven by "textile" products, with the average share of sales generated by ecodesigned products rising from 40% to 60% (an increase of 20 points). Access to technology combined with a high international availability of raw materials has enabled the acceleration initiated in previous years to be maintained. There has also been significant growth in "metal" products (excluding bicycles) such as fitness equipment and "footwear" products, which have risen from 38% in 2022 to 60% in 2023 (up by 22 points) and from 16% to 38.5% (22.5 point increase) respectively. To a lesser extent, Decathlon has managed to increase the share of plastic and composite products benefitting from an ecodesign approach, despite the technical difficulties encountered with these types of products. Lastly, performance on "cycling" products remains at a lower level (6.5%), and work is underway to increase the proportion of ecodesigned cycling products.

Decathlon aims to achieve a 50% share of this indicator by 2024, with the ambition of reaching 55%.

**Note 4:** This year, Decathlon wants its circular sales figures to reflect as accurately as possible what is happening in the retail countries, by taking into account the results reported by the Group's tools as well as those from local tools.

This organisation made it possible to have better visibility on the Rental activity in 2023 and to integrate it into the scope of circular sales.

Circular sales, generated by second life products, product maintenance and repair in workshops, and product rental, increased in 2023, both in France and internationally. Overall circular sales in 2022 represented 1.75% (excluding Rental) of Decathlon's total sales, and increased, on an equivalent basis, to 2.16% in 2023. Including rental, circular sales represented 2.27% of total sales in 2023 (it was 1.82% on the same basis in 2022).

Decathlon's circular models include second life options such as trade-in, saved products (damaged stock from customer returns, retail activity or rental products) and customer-to-customer transactions (trocatathon). Rental models such as subscriptions and short-term rentals, as well as repair and maintenance services provided through workshops and Do It Yourself initiatives, continue to be included.

| COMPANY FACTS AND FIGURES                                          |  |  | 2022         | 2023           |
|--------------------------------------------------------------------|--|--|--------------|----------------|
| VALUE CHAIN   RETAIL & PRODUCTS                                    |  |  |              |                |
| Number of distribution countries/regions                           |  |  | 59           | 57 (Note 5)    |
| Number of Decathlon stores worldwide                               |  |  | 1,771        | 1,749 (Note 6) |
| Number of new outlets Y/Y-1 (company-owned, excluding franchises)  |  |  | +68          | +86 (Note 7)   |
| Number of warehouses and logistics platforms                       |  |  | 74           | 72             |
| Number of Decathlon product brands                                 |  |  | 36           | 36 (Note 8)    |
| Quantities of products sold                                        |  |  | 1.26 billion | 1.19 billion   |
| SUPPLY CHAIN                                                       |  |  |              |                |
| Number of production countries/regions:                            |  |  |              |                |
| → with Decathlon teams physically present                          |  |  | 23           | 23             |
| → without Decathlon teams physically present                       |  |  | 20           | 21             |
| Number of Decathlon production offices                             |  |  | 42           | 42             |
| Number of suppliers for Decathlon products:                        |  |  |              | (Note 9)       |
| → Rank 1 suppliers (components & finished products)                |  |  | 956          | 923            |
| → Rank 2 suppliers                                                 |  |  | 311          | 341            |
| Number of teammates in charge of supplier relations and management |  |  | 2,429        | 2,245          |
| Number of Decathlon-owned production facilities                    |  |  | 9            | 9              |

In 2023, Decathlon focused on the roll-out of circular models (rental subscription and trade-in) in four pilot countries: the Netherlands, Spain, Italy and Belgium, with a view to wider deployment from 2024.

Given the significant representativeness of the ten countries with the highest circular activity within Decathlon, they were the subject of special monitoring in 2023. These countries accounted for 86% of Decathlon's circular sales. The lessons learnt from the pilot countries have enabled the strategies defined for each business model to be rapidly implemented and rolled out.

In 2023, the team structure was adapted to meet the growth ambitions of circular models. Two priority areas of Decathlon's strategy, rental subscriptions and trade-ins, saw their sales double, thanks in particular to the strategies deployed in various countries to boost these business models. The workshops, another circular model, also posted positive growth of 17%.

However, sales of the DIY repair model fell short of expectations, despite adjusted growth thanks to the addition of new items. The teams are now concentrating their efforts on this model to reverse the trend.

In 2024, the main objective will be to develop circular models in twelve major Decathlon countries (Belgium, Mainland China, France, Germany, India, Italy, the Netherlands, Poland, Portugal, Spain, Switzerland, the United Kingdom). Particular emphasis will be placed on trade-ins, rental subscriptions and DIY repairs. The development of digital technology will play a crucial role in the evolution of these business models. As part of this effort, the Circular Hub will be deployed in stores to improve the circular experience for customers. The Circular Hub is an integral part of Decathlon's circular strategy. This is a specific area in Decathlon stores that centralises sustainable and circular services (repair, buy-back and recycling). At the end of 2023, a test Circular Hub was deployed in the San Sebastian store in Spain.

**Note 5:** Company-owned, excluding franchises.

In 2023, Decathlon closed all its company-owned stores in several countries (Russia, Bangladesh and the Democratic Republic of Congo) and opened stores in Estonia.

**Note 6:** A Decathlon store is considered as such if it meets the following conditions:

- it is owned or leased by Decathlon
- it is open all year round (lease of more than one year)
- it has stock and checkouts (a Click&Collect point without a physical item is not considered a Decathlon store)
- Decathlon teammates work on this site
- it is not a franchised store

This includes Alltricks stores and Decathlon own-brand stores.

To this end, the 2022 data has been updated to make it comparable with 2023.

**Note 7:** This is the number of gross openings without taking into account closures.

**Note 8:** As of 31 December 2023, Decathlon offered 36 brands to meet the sporting needs of its customers. It should be noted that the Group has undertaken a project to simplify the readability and understanding of its product offerings. Based on the needs of its customers and its distribution countries, the company has decided to overhaul its brand portfolio on three levels.

From 2024, Decathlon will become the main brand visible on products. In addition, and in order to reinforce the trust and credibility that customers have in Decathlon products, nine labels will also be affixed to articles for the following sporting fields: Quechua (mountain sports), Tribord (water sports), Caperlan (fishing and horse riding), Kuikma (racket sports), Rockrider (mountain biking), B'twin (mobility and urban board sports), Domyos (fitness sports), Kipsta (team sports) and Inesis (golf and precision sports).

These will be joined by four expert brands offering a range of products and specific experiences to win over the most demanding sportspeople: Van Rysel (road cycling), Kiprun (running), Simond (hiking, climbing and high-altitude mountaineering) and Solognac (hunting).

This new brand portfolio will be rolled out gradually over the next three years.

**Note 9:** Rank 1 suppliers are: suppliers contractually bound to a Decathlon company for the production or assembly of finished/semi-finished products (via a manufacturing contract) or for the supply of raw materials or components (via a purchase contract), receiving purchase orders and invoicing said company directly.

Rank 2 suppliers are: suppliers contributing to the value chain of Decathlon products, in direct commercial relationship with a Rank 1 supplier, with which it organises the management of purchase orders and invoicing. Decathlon reserves the right to intervene in the choice or validation of this Rank 2 supplier, without however intervening in the commercial and legal relationship between these Rank 1 and Rank 2 suppliers.

# 2

# PRESERVING NATURE

THE PLEASURES OF SPORT IN A PRESERVED ENVIRONMENT

- CLIMATE CHANGE
- POLLUTION AND USE OF WATER RESOURCES
- BIODIVERSITY
- RESOURCES AND CIRCULAR ECONOMY

DECATHLON IS COMMITTED TO THE UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS



# 2.1

## CLIMATE CHANGE

CLIMATE STRATEGY AND STAKEHOLDERS  
DECARBONISING PRODUCTION  
TRANSPORT AND LOGISTICS  
ACTIONS IN STORES AND WAREHOUSES  
TEAMMATE AND CUSTOMER ECOMOBILITY  
PERFORMANCE INDICATORS



# CLIMATE STRATEGY AND STAKEHOLDERS

## Committing to global objectives

In March 2023, the UN's Intergovernmental Panel on Climate Change (IPCC) published a document summarising eight years of work to outline the most complete state of climate science to date.

This report underlined the unequivocal role played by human activities in global warming, which are causing rapid changes in the atmosphere, oceans, soil, cryosphere and biosphere in every region of the world.

While scientists believe that it is still possible to limit the rise in temperatures, there is no time to waste and we must take all necessary actions. Given the urgency highlighted once more by the IPCC, Decathlon is continuing its efforts to lessen its emissions and follow the worldwide environmental trajectory to limit global warming to 1.5°C.

### 2023 HIGHLIGHTS

Decathlon is creating new medium- to long-term reduction trajectories to contribute to the global goal of "net zero emissions" by 2050. These trajectories aim to reach the reduction targets submitted to the Science Based Targets initiative in 2023 and validated in March 2024.

For the second consecutive year, the company succeeded in reducing its absolute carbon emissions while increasing sales.

Decathlon joined the Climate Dividends association to help develop a framework for companies to calculate their avoided emissions.

The Group maintained its commitment to international initiatives (RE100, UNFCCC<sup>1</sup> Fashion Industry Charter for Climate Action, Net Zero Initiative, etc.) to combat climate change collectively.

KEY FIGURES as of 31/12/2023

**11.7%**  
fewer absolute CO<sub>2</sub>e emissions compared to 2021

10,434,665 tCO<sub>2</sub>e in 2023,  
10% fewer than in 2022

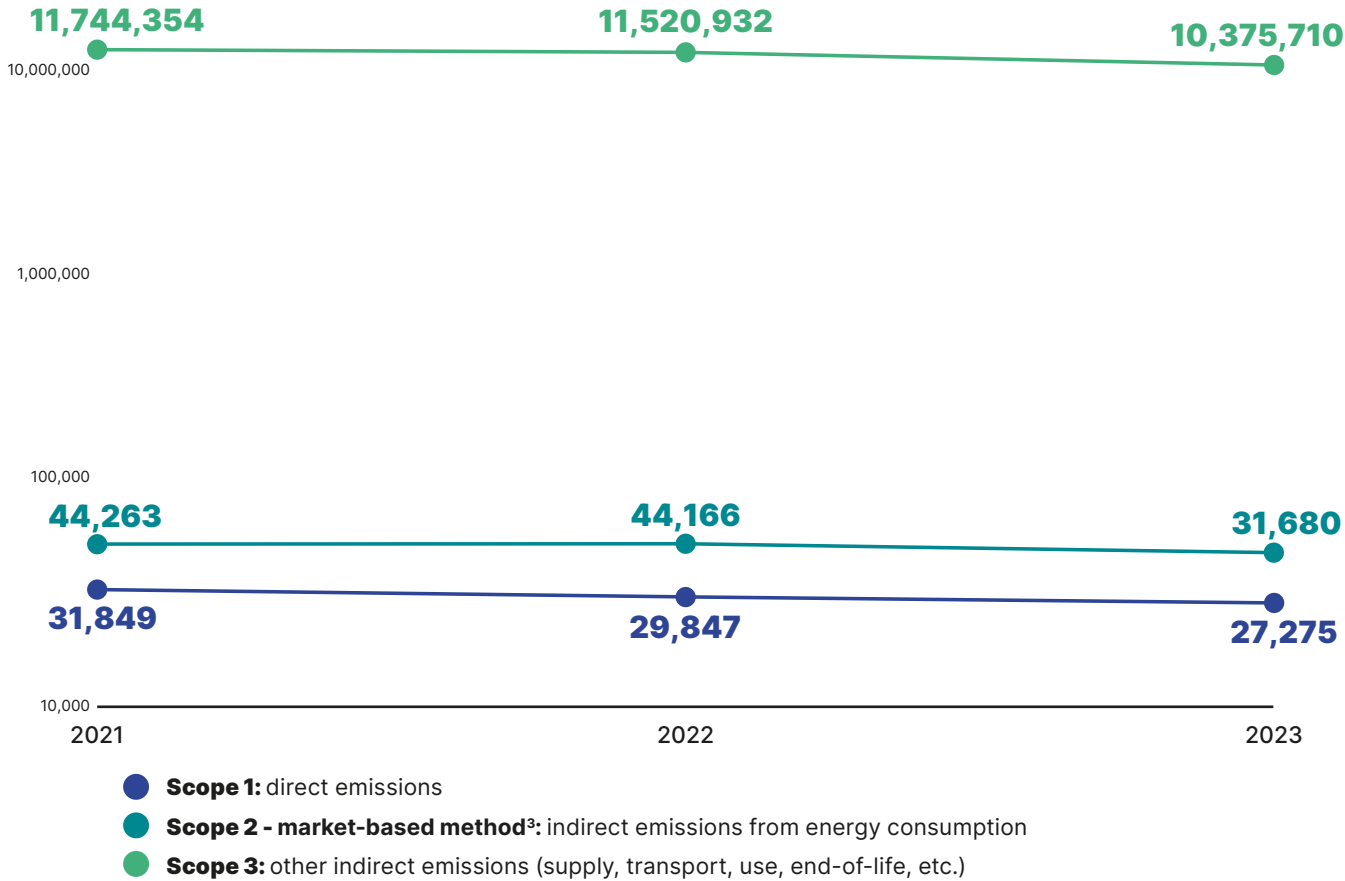
**8.77 kg CO<sub>2</sub>e**  
emitted per product sold  
8.73 kg CO<sub>2</sub>e/product in 2022

**909,423 tCO<sub>2</sub>e**  
avoided through the sale  
of soft mobility products  
1,072,780 tCO<sub>2</sub>e in 2022

### Breakdown of Decathlon's greenhouse gas (GHG) emissions by scope<sup>2</sup>

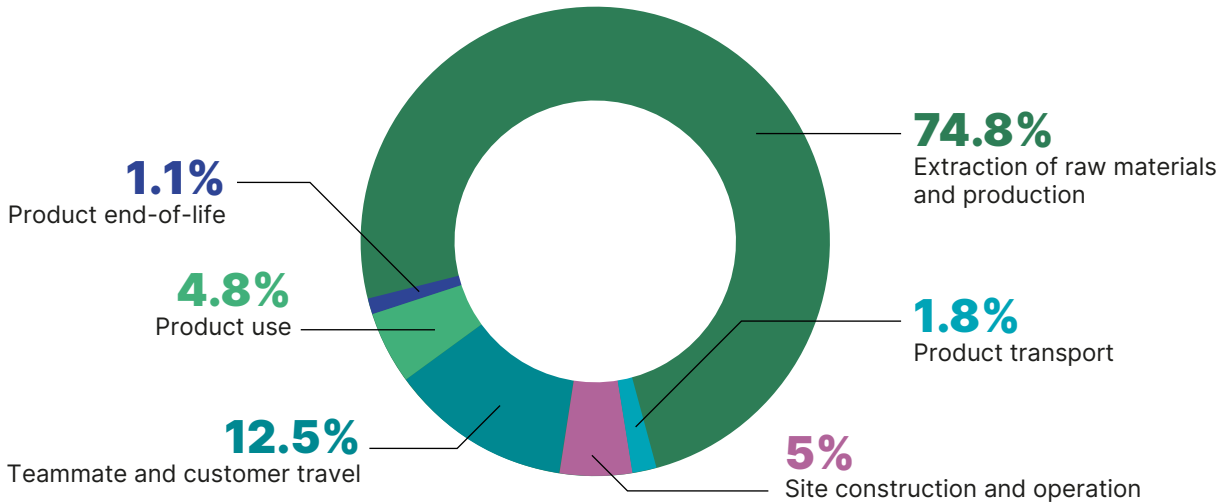
In tCO<sub>2</sub>e - as of 31/12/2023

In order to make the CO<sub>2</sub>e emission discrepancies between scopes 1, 2 and 3 more understandable and comparable, Decathlon has chosen to use a graph with a logarithmic scale.



### Breakdown of greenhouse gas emissions by stage in the product life cycle<sup>4</sup>

as of 31/12/2023

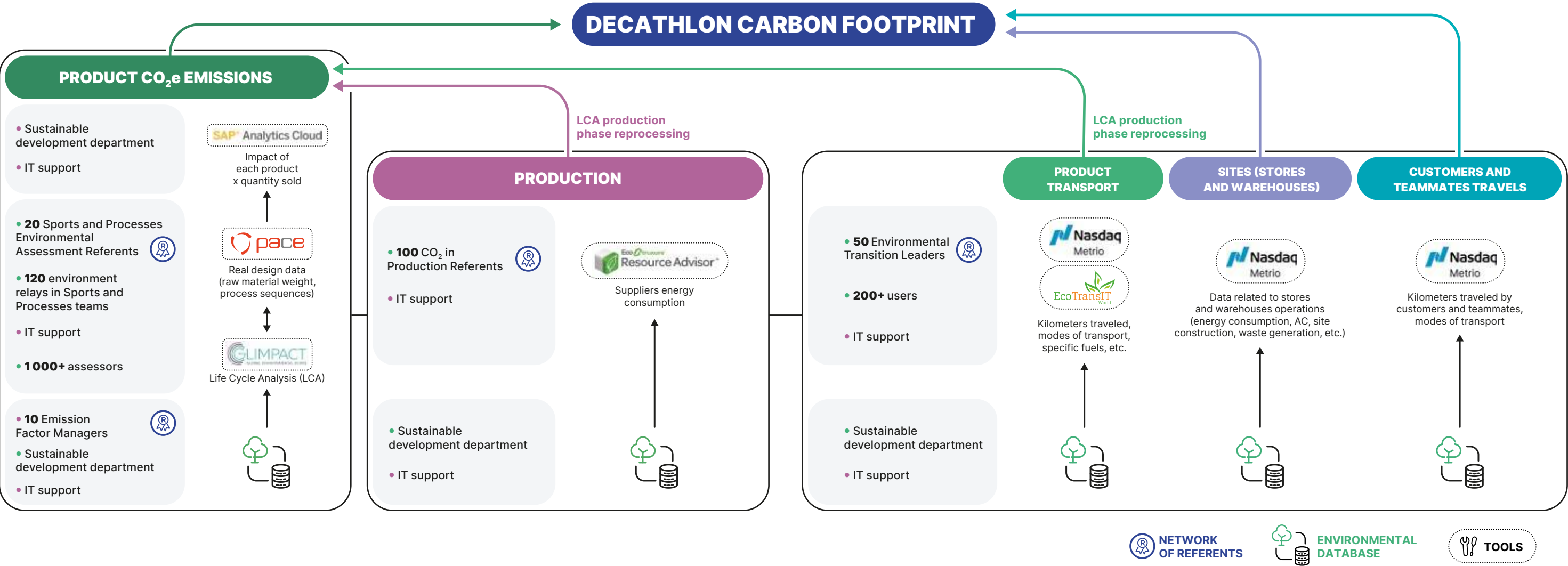


2. 2021-2022 data has been reprocessed following Decathlon voluntarily bringing its measurements into compliance with the international GHG Protocol. These methodological changes will bring the company's carbon footprint into alignment with international standards. See note 10 on page 68 for more information.

3. Market-based method: a method of calculating CO<sub>2</sub> emissions related to energy consumption, using emission factors based on the specific energy mix that the suppliers subscribe to (including in particular Guarantees of Origin certificates).

4. Note that the life-cycle stages have been grouped together here for simpler readability. The breakdown of greenhouse gas emissions according to GHG Protocol categories is available on page 70.

1. United Nations Framework Convention on Climate Change.



Building stronger governance around climate issues

THE ROLE OF EXECUTIVE AND NON-EXECUTIVE GOVERNANCE BODIES

The **Strategy committee assesses** the environmental strategy concerns defined by the Sustainable Development department and the associated pace of change. Environmental issues are also **analysed at regular intervals by the Executive committee**.

During the year, quarterly reviews are held over two-day periods, during which strategic sustainable development initiatives are monitored and challenged in depth.

➔ **Find out more about the governance bodies in charge of sustainable development, p. 19.**

A NETWORK RESPONSIBLE FOR MONITORING CO<sub>2</sub> EMISSIONS

Each CO<sub>2</sub> Referent is responsible for assessing emissions and for ensuring that action is taken to reduce them. The network is composed of several groups of stakeholders at different levels of the company:

- **The network of Sports and Processes environmental assessment Referents.** This group of about twenty people is responsible for training component and product engineers in using the PACE tool for the environmental assessment of sports items
- **The network of Emission Factor<sup>5</sup> Managers in industrial processes,** representing ten people, is responsible for selecting Decathlon's most representative environmental data for production. If this data is not available in public databases, the managers work with the company's suppliers and independent design offices specialising in life cycle analysis (LCA) to develop data in accordance with European requirements
- **The network of CO<sub>2</sub> in Production Referents** is composed of about 100 people who are responsible for monitoring suppliers' energy measurement and their Science Based Targets commitments, and for monitoring action plans to reduce the carbon impact in production
- **The sustainable development leaders in the countries,** representing nearly 50 people who coordinate CO<sub>2</sub> measurement and reduction actions

TOWARDS GOVERNANCE OF ENVIRONMENTAL DATA

For several years, design, production, logistics and retail teams have been provided with specific tools to improve the calculation accuracy of their business impact. Decathlon is now working to establish true governance in order to professionalise the structuring and management of its environmental data.

Tools used by Decathlon in 2023:

- **SAP Analytics Cloud<sup>6</sup>** has been used by the company since 1 January 2021 to present its overall environmental performance (CO<sub>2</sub>e emissions and sales from products that have benefited from an ecodesign approach), and enable Sports & Processes teams to take appropriate action. Since 2022, this tool includes the impact of products measured using the Glimpact tool<sup>7</sup>, which is based on the Product Environmental Footprint method developed under the supervision of the European Commission.
- **PACE** is an in-house tool centralising information related to product design (raw materials, industrial processes, etc.). This information is then used in Glimpact to calculate the environmental impact of all products and components.

- **Resource Advisor<sup>8</sup>** is a tool used by Decathlon suppliers to share their monthly energy consumption data: 995 production sites are now using this tool regularly. Suppliers are required to enter several types of data, including scope 1 and 2 energy sources (kg of coal, kWh of electricity, m<sup>3</sup> of natural gas, etc.), as well as business-related information (number of items produced, size, weight, production process, etc.). The tool uses emission factors<sup>9</sup> to calculate the CO<sub>2</sub>e emissions for each production site and display their performance via interactive dashboards.
- **EcoTransIT World<sup>10</sup>** is an external tool that Decathlon uses to calculate the CO<sub>2</sub>e impact of its international transport of finished products using real data (product weight, loading and unloading points, mode of transport, etc.).
- **Nasdaq Metrio<sup>11</sup>** has measured, since 2020, the environmental impact of the countries in which Decathlon is present. The tool's analytical tables are used to support the implementation of environmental policies<sup>12</sup>. Metrio covers more than 95% of the impact of store and warehouse activity<sup>13</sup>.

6. For more information on SAP Analytics Cloud: <https://www.sap.com/>.  
7. For more information on Glimpact: <https://www.glimpact.com/>.  
8. For more information on Resource Advisor: <https://www.se.com/fr/fr/work/services/energy-and-sustainability/energy-and-sustainability-software/energy-management-software-resource-advisor.jsp>.  
9. Emission factors enable energy use to be translated into greenhouse gas emissions. They depend on the country and energy sources.  
10. For more information on EcoTransIT World: <https://www.ecotransit.org/en/>.  
11. For more information on Nasdaq Metrio: <https://www.metrio.net/>.  
12. As a French company, Decathlon is legally obligated to calculate and report the carbon footprint of each of its subsidiaries: Carbon footprint per legal entity – French law (Article L229-25 of the Environment Code).  
13. Based on real or estimated data, see methodological note on p.235.

5. An emission factor is a coefficient used to convert activity-related data into greenhouse gas emissions.

Strengthening  
and deploying strategies

A GOAL IN LINE  
WITH THE 1.5°C SCENARIO

In 2022, Decathlon defined a target for the entire value chain, aligned with the global trajectory of limiting warming to 1.5°C, the IPCC's most ambitious baseline scenario. By 2026, Decathlon aims to **reduce its absolute CO<sub>2</sub> emissions by 20% based on emissions measured in 2021**. In line with the Corporate Net-Zero Standard<sup>14</sup> and the global goal of carbon neutrality, the company also built new medium- to long-term trajectories in 2023, with the aim of:

- **reducing its absolute CO<sub>2</sub> emissions by 42% by 2030** compared to emissions measured in 2021 (scopes 1 and 2, plus scope 3)
- **reducing its absolute CO<sub>2</sub> emissions by 90% by 2050** compared to emissions measured in 2021 (scopes 1 and 2, plus scope 3) and neutralising residual emissions to help achieve global carbon neutrality

These trajectories have been designed to achieve the reduction targets submitted to the Science Based Targets initiative in 2023 and validated in March 2024.

To meet this short-term ambition, **the Group has identified four different levers for action in its 2023-2026 business plan:**

1. Decarbonise the company's footprint (main reduction lever)
2. Optimise the offer and design long-lasting products
3. Scale up circular business models (to create economic value with a very low carbon impact)
4. Impact its ecosystem through influence and advocacy

These four levers will be supported by integrated management of environmental performance and the company's digital transformation.

➔ **More information on the 2023-2026 business plan on p.28 et 29.**



A DESIRE TO CONTRIBUTE  
TO CARBON NEUTRALITY BY 2050

Decathlon aims to make its activities compatible with global climate issues as defined by science, and thus contribute to reaching carbon neutrality by 2050. To do so, the Group is inspired by the Net Zero Initiative (NZI) framework<sup>15</sup>, which recommends that the private sector act on three complementary pillars:

1. **Reduce direct and indirect emissions induced** by the company's activities
2. **Reduce emissions outside the Group's value chain** (or avoided emissions) through the product and service offering or by financing emission reduction projects
3. **Develop carbon sinks** (or sequestration)

Contributing to global carbon neutrality by 2050



Reduce the company's direct and indirect emissions



Contribute to reducing planetary emissions through the product and service offering (avoided emissions)



Support the development of carbon sinks

Today, Decathlon's priority is to reduce its induced emissions in absolute value, and it is starting to measure avoided emissions for its ecosystem, beyond its value chain. The issue of carbon sequestration will be explored as part of deeper work into the company's raw material supply chains.

Assessing climate risks and opportunities  
to create adaptation strategies

Based on climate data and modelling shared by the IPCC and the World Resources Institute<sup>16</sup> and by incorporating the geographic coordinates of most of its sites, **Decathlon has identified twenty risks and five opportunities for the company**. To take initial adaptation actions, **the Group prioritised seven risks and three opportunities**, based on their likelihood in the short- to medium-term, their financial impact and their relationship to mitigation strategies already in place.

The seven prioritised risks:

1. Increased prices/shortage of raw materials due to water stress impact
2. Increased costs due to higher prices of raw materials due to environmental regulations/restrictions
3. Production disruption due to water scarcity/poor water quality
4. Decreased productivity and increased arduousness of work at production sites due to the increase in temperature
5. Downstream retail distribution disruption due to extreme heat
6. Reduction in outdoor sports practice/sales due to the rise in temperatures and heatwaves
7. Increase in costs due to new carbon taxes/GHG emission pricing

The three prioritised opportunities:

1. Cost reduction thanks to circular economy practices (e.g. recycling)
2. Increase in sales relating to new services and business models developed through R&D and innovation
3. Positioning sport as a way to reduce the negative effects of climate change on human health and well-being

In 2023, and in collaboration with external experts, **Decathlon initiated a new climate risk, opportunity and resilience analysis** covering all its activities and stakeholders. The Group's new climate risk analysis, to be finalised in 2024, is aligned with recognised international standards and frameworks. It will enable Decathlon to develop new adaptation scenarios for its various activities.

Note that the Sustainable Development Director presented the latest climate risk analysis to the Audit and Finance committee and the Strategic committee in late 2023<sup>17</sup>, informing these two governance bodies on the climate risks that are inherent in the company's activities. They support the inclusion of these issues in major decision-making processes, acknowledging the central role of climate factors as Decathlon evolves its strategic direction.

14. For more information on the Corporate Net-Zero Standard: <https://sciencebasedtargets.org/net-zero>.  
15. For more information on the Net Zero Initiative: <https://www.carbone4.com/projet-nzi>.

16. For more information on the World Resources Institute: <https://www.wri.org/>.  
17. More information on Decathlon governance on p. 12.

→ 2023 PERFORMANCE

KEY FIGURE as of 31/12/2023

**10%**  
**fewer carbon emissions in absolute value compared with 2022, thanks to Decathlon's actions such as accelerated ecodesign of products, development of renewable energies in production, etc. (accounting for four points in this reduction) and the reduction in quantities sold in 2023 (accounting for six points).**

→ Full details of 2023 performance in the details about indicators on p. 68.

PRODUCTS<sup>18</sup>

In 2023, **38.8% of sales were generated by products benefiting from an ecodesign approach** (23% in 2022). **This performance has been multiplied by 3.7 since 2021** (when it represented 10.4% of sales) and is greater than the initial annual target of 35%. Also regarding products, representing Decathlon's greatest sphere of impact, the company saw an 11.7% reduction in CO<sub>2</sub> emissions per euro of tax-free sales compared with 2021. All these actions also contributed four points to the 10% reduction in absolute emissions compared with 2022, even with an increase in total sales. So for a second consecutive year, Decathlon succeeded in reducing its absolute carbon emissions while increasing sales in terms of turnover. Guiding suppliers from the priority guidance list towards the target of 45% electricity from renewable sources by the end of 2023 in manufacturing products has also significantly contributed to this performance.

→ More information on performance related to ecodesign on p. 106.

ENERGY IN PRODUCTION

This year, the impact of production fell sharply thanks to actions taken by suppliers to deploy renewable energies and reduce the use of coal, as well as to the slowdown in production due to the high level of inventory. The following production highlights can be mentioned this year:

- **995 production sites are autonomous** in measuring their CO<sub>2</sub>e emissions (compared with 846 in 2022)
- **549 production sites have set a reduction trajectory** in line with science<sup>19</sup> (475 in 2022)
- **48.1% of renewable electricity is used at the production sites from the priority guidance list<sup>20</sup>** (44% in 2022)
- **Rank 1 and Rank 2 suppliers are phasing out the use of coal:** 36 identified production sites (27 Rank 1 sites and 9 Rank 2 sites) still consumed this fossil fuel in 2023, compared with 43 sites in 2022 (32 Rank 1 sites and 11 Rank 2 sites). The gradual or complete cessation of coal use by 6 new production sites this year, combined with a decrease in production, cut coal consumption by 33% for Rank 1 suppliers and by 59% for Rank 2 suppliers
- **357 production sites representing 92% of measured CO<sub>2</sub> emissions were assessed for the maturity of their energy management system**, enabling 55 mature sites to be identified

→ More information on supplier engagement in decarbonising production on p. 56.

PRODUCT TRANSPORT

The transportation of Decathlon products represents a small portion of the company's carbon footprint, i.e. 1.8%. Still, the Group continued working to reduce this impact and deployed strategies (reducing air transport, developing low-carbon modes of transport, etc.) that reduced CO<sub>2</sub>e emissions from this activity by 28.5% in 2023.

→ More information on product transport on p. 59.

SITE CONSTRUCTION AND EXPLOITATION

There was a significant reduction in the carbon impact related to construction in 2023, which can be explained by a decrease in constructed surface areas (117,000 m<sup>2</sup> in 2023 vs 197,000 m<sup>2</sup> in 2022). The impact due to energy consumption decreased this year (687,171,494 kWh consumed in 2023 vs 775,292,918 kWh in 2022), while that related to air conditioning increased slightly due to improved reliability of country data<sup>21</sup>. Note that 87.1% of the electricity consumed by the company came from renewable sources this year.

→ More information on renewable energy sources and energy consumption in stores and warehouses on p. 61.

CUSTOMER AND TEAMMATE TRAVEL

Due to budget cuts and new rules applied in the company in 2023, business travel declined by 7% this year, decreasing Decathlon's carbon impact (13,390 tCO<sub>2</sub>e in 2023 compared with 14,465 in 2022). The company also saw a decrease in its carbon footprint related to teammate commuting, which can be explained primarily by fewer hours worked (81,732 tCO<sub>2</sub>e in 2023 vs 86,886 in 2022). Lastly, CO<sub>2</sub> emissions related to customer travel decreased by 2.3% this year due to the development of ecomobility.

→ More information on customer and teammate ecomobility on p. 64.

AVOIDED EMISSIONS

According to the French Agency for Ecological Transition (ADEME)<sup>22</sup>, an organisation's "avoided emissions" refers to the emission reductions achieved by its activities, products and/or services, when these reductions are achieved outside its scope of activity. They are assessed against a baseline scenario<sup>23</sup>.

Several of Decathlon's activities are covered by this definition: bicycle and scooter sales promoting ecomobility, product rentals and repairs, the sale of second life items, durability actions, etc. The positive spillover effects of these solutions are not all taken into account in the Group's carbon footprint (actions outside its scope or difficult to quantify), but they are nevertheless **essential to help reduce carbon emissions worldwide**. Signalling the importance attached to measuring avoided emissions, the methodology (approved by an independent body) that led to a first estimate for Decathlon was presented to the experts responsible for evaluating the company's share value.

This new indicator provides additional visibility on the Group's overall carbon footprint.

According to the NZI methodology<sup>24</sup>, to measure Decathlon's avoided emissions, a reference scenario has to be compared to a new scenario that incorporates reduction solutions. This year, Decathlon continued working on mobility and **expanded its measurement of avoidance factors to fifteen families of ecomobility products** (compared with two in 2022) that were the focus of a post-purchase customer survey to improve the accuracy of avoidance factors, with respect to ADEME standard data<sup>25</sup>. This study identified the products generating the greatest modal shift<sup>26</sup>. In 2023, the longtail bike, an electric cargo bike for everyday urban use, is the ecomobility product that will avoid the most CO<sub>2</sub> emissions over its entire lifetime (4.3 tCO<sub>2</sub>e per bike).

**In 2023, 1,313,325 Decathlon ecomobility products were sold in Europe, avoiding the emission of 909,423 tCO<sub>2</sub>e.**

Since no international standard measuring avoided emissions exists, Decathlon joined twelve other companies in the **Climate Dividends** initiative<sup>27</sup> in 2023. This association aims to establish a precise framework allowing companies to calculate their avoided emissions, while certifying calculation methods that are considered reliable<sup>28</sup>. The Climate Dividend is a non-financial benchmark unit of measurement for companies, allowing them to assign a value to their solutions' decarbonisation capabilities.

In 2023, Decathlon also joined a working group led by Carbone4<sup>29</sup> alongside other companies in the textile and footwear sector, to develop an NZI methodology for calculating **emissions that are avoided through product durability and circularity**. This joint work led to the **publication of a methodological guide** for all companies in the sector. By sharing this guide, Decathlon is helping to develop the measurement of avoided emissions in order to foster the decarbonisation of society.

SCORE

In 2023, Decathlon again answered the Carbon Disclosure Project (CDP) questionnaire<sup>30</sup> based on its 2022 performance. **The company achieved a C score** (vs B- in 2022) in spite of increasing demands and the addition of new themes in the questionnaire. Several strengths were identified this year in connection with Decathlon's commitments: alignment of carbon footprint methodology with the GHG Protocol, corporate strategy and the involvement of governance on sustainable development issues. Areas for improvement were also identified, namely:

- Ensure better overall consistency of the data reported in the questionnaire originating from several tools/teams within Decathlon
- Mention emission reduction initiatives planned for future years, not just those that have been finalised
- Ensure that the methodology for completing the CDP is followed precisely.

Note that these areas for improvement highlight methodological issues rather than the strategies that have been undertaken and future ones.

18. Excluding transport, upstream and downstream of the value chain.  
19. Decathlon suppliers use the SBTi methodology to define their annual reduction targets. These action plans are validated by Decathlon, each supplier sending a signed letter of commitment.  
20. 546 production sites selected by Decathlon buyers to be guided in decarbonisation issues, as of 31/12/2023.  
21. New countries have begun collecting real data, which allows better estimation of air conditioning use, which was previously underestimated. More information is available in note 13 on p. 69.  
22. For more information on ADEME: <https://www.ademe.fr/en/frontpage/>.  
23. ADEME, "Les émissions évitées, de quoi parle-t-on?", January 2020: <https://bibrairie.ademe.fr/cadic/406/fiche-technique-emissions-evitees-2020-02.pdf?modal=false>.  
24. NZI, Carbone 4 "The Pillar B Guide – Calculating and leveraging avoided emissions", 2022, p.84: [https://www.carbone4.com/files/Net\\_Zero\\_Initiative\\_Guide\\_pilier\\_B.pdf?\\_ga=2.161278196.834740943.1680073397-1746672540.1680073397](https://www.carbone4.com/files/Net_Zero_Initiative_Guide_pilier_B.pdf?_ga=2.161278196.834740943.1680073397-1746672540.1680073397).  
25. ADEME, "Actualisation de l'étude d'évaluation des services vélos", 2021: <https://bibrairie.ademe.fr/mobilite-et-transport/4934-diagnostic-d-evaluation-des-services-velos.html>.  
26. The modal shift is the switch from a carbon-based mode of transport to a less impactful alternative.  
27. For more information on Climate Dividends: <https://www.climate-dividends.com/>.  
28. Climate Dividends recognises the NZI methodology, to which Decathlon refers when calculating its avoided emissions.  
29. For more information on Carbone 4: <https://www.carbone4.com/>. - 30. For more information about CDP: <https://www.cdp.net/en>.



Involving teammates in Decathlon’s environmental transition

TEAMMATES' LEVEL OF COMMITMENT

Since 2022, the Decathlon Teammates Barometer<sup>31</sup> (DTB) internal survey takes into account the environmental dimension in teammates' experiences<sup>32</sup>. This year, 76% of respondents stated that they were involved in at least one environmental indicator incorporated in their duties (74% in 2022).

TRAINING DEDICATED TO CLIMATE CHANGE

**Decathlon has set itself the goal of teaching all its teammates about the causes and consequences of climate change by 2026.**

To achieve this, the company offers its employees various training formats: The Climate Fresk<sup>33</sup> collaborative workshop, the Axa Climate School<sup>34</sup> and The Week experience<sup>35</sup>. **In 2023, 9,756 employees took part in one of these training courses** (7,596 in 2022<sup>36</sup>), delivered by 234 active internal facilitators. Since January 2021, 17,385 teammates have been made aware of the challenges of climate change.

Participating in international initiatives

To take action to collectively combat climate change, Decathlon has been involved in international initiatives and coalitions<sup>37</sup> for several years, including:

Contributing to global carbon neutrality:



Commitment standards:



Evaluation and reporting standards:



31. More information on the DTB on p.137.  
32. Note that just one of the two questions asked in 2022 was kept in the 2023 survey, following this year's update to the questionnaire.  
33. For more information on The Climate Fresk: <https://fresqueduclimat.org/>.  
34. For more information on Axa Climate: <https://climate.axa.fr/>.  
35. For more information on The Week: <https://www.theweek.ooo/>.  
36. Note that the 2022 figure has been updated to include the number of people who took part in The Week.

37. More information on these initiatives on p.216.



# DECARBONISING PRODUCTION

## Encouraging suppliers to adopt practices having less impact on the environment

In 2023, 74.8% of Decathlon's total CO<sub>2</sub> emissions were derived from the extraction of raw materials and the production stages required to manufacture sporting goods. To contribute to the global effort for carbon neutrality by 2050, it is essential that Decathlon work with its suppliers to reduce its footprint along its entire value chain. Since the energy used in production worldwide is still generated primarily using fossil fuels (coal, gas and oil), Decathlon decided in 2017 to assist its suppliers in their transition.

**Decathlon's production decarbonisation strategy is structured around several pillars:**

- Measuring the energy consumed
- Obtaining supplier commitment to reduce their footprint
- Constructing coal elimination trajectories
- Deploying energy efficiency programmes
- Deploying renewable energies
- Identifying collaborative opportunities and economic incentives for supplier decarbonisation

These pillars are verified during environmental audits for the relevant sites (see p.83). They are also promoted more widely with all suppliers because of how important this strategy is for the company.

### 2023 HIGHLIGHTS

**Decathlon assessed suppliers representing 92% of measured CO<sub>2</sub> emissions** and supported them in managing energy in production better, through various energy efficiency projects.

**The company continued its commitment to have its Rank 1 suppliers eliminate all coal use** by 2025, and its Rank 2 suppliers by 2030.

At the production sites on Decathlon's priority guidance list<sup>38</sup>, **48.1% of electricity consumed comes from renewable sources**, compared to 44% in 2022.

KEY FIGURES as of 31/12/2023

**995**  
production sites measure their CO<sub>2</sub> emissions  
846 in 2022

**549**  
production sites have set a reduction trajectory in line with science validated by Decathlon  
475 in 2022

## Implementing energy efficiency programmes

In order to reduce the impact of its suppliers emitting the most CO<sub>2</sub>, Decathlon is helping them analyse their energy management maturity and then implement suitable efficiency programmes. This year, twelve energy efficiency referents assisted suppliers in their approach.

### ASSESSING THE ENERGY MATURITY OF PRODUCTION SITES

In 2023, **Decathlon deployed an energy efficiency survey to assess the energy management maturity of 357 production sites representing 92%** of measured emissions related to product and service purchases. This survey provided the following results:

- 37% of measured production-related CO<sub>2</sub> emissions are generated by sites that were considered mature in energy management and are now ready to conduct optimisation programmes
- 34% of measured production-related CO<sub>2</sub> emissions are generated by sites that were considered to be making progress on energy management and will be supported to improve
- 6% of measured production-related CO<sub>2</sub> emissions are generated by sites that were considered immature on energy management and need support on the basics
- 15% of measured production-related CO<sub>2</sub> emissions are generated by sites that did not respond to the survey with all the expected information

**At the same time, energy optimisation pilot projects expected to last two years were started at six production sites** with external organisations:

- In particular, Decathlon worked with ÖKOTEC<sup>39</sup>, a subsidiary of Veolia Group<sup>40</sup>, to set up an energy and production data acquisition and analysis software at five sites representing 8.6% of Decathlon's CO<sub>2</sub> footprint. This tool will help the engineers at ÖKOTEC identify energy loss in the major utilities of the factories such as boilers, air compressors, chillers and others. With this data, they will be able to suggest and follow energy conservation measures on the sites' major utilities.
- In one pilot using Cool Planet<sup>41</sup> software at a bicycle assembly site in Europe, engineers identified heat recovery and other energy conservation measures that could save 10% of the gas and electricity used at the site.

## THE SUSTAINABLE TEXTILE PROCESSING PROJECT

In 2021, a team of Decathlon method engineers launched the Sustainable Textile Processing project to assist the 30 production sites that consume the most energy, water and chemicals (25 in 2022).

Through this project, work is done on the supplier's machines to optimise processes, and reduce water consumption and energy losses. Several highlights can be noted for 2023:

- **Actions continue to improve dyeing processes for conventional polyester and cotton** at seven suppliers representing 20% of Decathlon's textile purchase volumes, through experiments with new machines and technologies to reduce water consumption (salt-free dyeing that greatly reduces energy consumption during water treatment, supercritical CO<sub>2</sub> dyeing<sup>42</sup>, tests on direct dye spraying on fabrics, ultrasonic washing, etc.)
- **Meters are gradually being installed on machines** of certain production lines to accurately measure water and energy consumption at every stage of the manufacturing process. These meters were installed at fifteen production sites in 2023 (five in 2022), and have already improved the reliability of environmental data and the sites' ability to take appropriate improvement actions in a virtuous cycle logic
- **ECODYE internal certification was launched**, including four criteria: water consumption, energy consumption, CO<sub>2</sub> emissions and water recycling. Thanks to the measurements taken by the meters mentioned above, it is now possible to refine the thresholds for evaluating and selecting suppliers. This year, the first ECODYE referenced components became available and Decathlon is continuing its efforts to define certification criteria for all product families

**In 2023, Decathlon estimated that these actions avoided the emission of 30,000 tCO<sub>2</sub>e<sup>43</sup> (45,000 tCO<sub>2</sub>e<sup>44</sup> in 2022) and the consumption of 300,000 m<sup>3</sup> of water (240,000 m<sup>3</sup> in 2022), i.e. 2% of the impact of the company's textile activity<sup>45</sup>.**



39. For more information on ÖKOTEC: <https://www.oekotec.de/en/>.

40. For more information on Veolia: <https://www.veolia.fr/>.

41. For more information on Cool Planet: <https://www.coolplanet.io/>.

42. High pressure gas.

43. The numerical value of CO<sub>2</sub> is calculated on the basis of the Product Environmental Footprint method 3.1.

44. Note that a smaller reduction in CO<sub>2</sub>e emissions was observed in 2023 due to a decrease in quantities produced and the change in calculation method.

45. More information on water consumption on p.87.

38. 546 production sites had been selected by Decathlon buyers to be guided on decarbonisation issues as of 31/12/2023.

Eliminating all coal use

Decathlon is committed to eliminating all coal use by its Rank 1 suppliers by 2025 and its Rank 2<sup>46</sup> suppliers by 2030.

To reach this goal, the teams have conducted feasibility and cost studies at all production sites that use coal, and have worked on setting up reduction trajectories.

In 2023, 36 production sites (27 Rank 1 sites and 9 Rank 2 sites) still consumed coal, compared with 43 sites in 2022 (32 Rank 1 and 11 Rank 2 sites).

As of 31 December 2023, this number had decreased to 30, with six Rank 1 supplier sites having stopped using coal during the year. This performance, paired with a decrease in production, meant that coal consumption was reduced this year by 33% for Rank 1 suppliers and by 59% for Rank 2 suppliers compared with 2022.

Developing renewable energies

THE STRATEGY

It is essential that Decathlon's production sites use renewable energy sources if the company is to drastically reduce its CO<sub>2</sub> emissions.

To minimise its impact, Decathlon's priority today is to focus on setting up new renewable electricity generation capacities.

So, the company now aims to help its suppliers, in this order of priority:

- 1. Set up new generation capacities
- 2. Participate in existing off-site projects
- 3. Purchase Energy Attribute Certificates<sup>47</sup> (in addition to the other activities)

SIGNING OF FINANCIAL CONTRACTS FOR RENEWABLE ELECTRICITY IN MAINLAND CHINA

In November 2023, Decathlon helped bring together 14 industrial partners with CGN<sup>49</sup> to sign renewable energy financial contracts<sup>50</sup> in Mainland China<sup>51</sup>.

With an investment of 1.4 billion yuan<sup>52</sup> from CGN, the offshore solar farm is expected to generate 260 GWH of renewable electricity annually. With a surface area of 2.2 km<sup>2</sup>, this project will double Decathlon's volume of bundled renewable energy consumed worldwide in production. This is comparable to offsetting the carbon emissions of over 35,000 households' electricity usage or 41,000 petrol-powered cars annually<sup>53</sup>. The initiative represents a major milestone for Decathlon in its efforts to decarbonise production by supporting suppliers to readily access renewable energy.

Testimonial



Anna TURRELL,  
Chief Sustainability Officer  
and yoga enthusiast

"Tackling climate change requires a massive collective effort from all of us. Nearly 75% of Decathlon's emissions come from the extraction of raw materials and the production stages of our products. To keep to the global trajectory of limiting warming to 1.5°C, we have to accelerate decarbonisation everywhere we have an impact and influence. The renewable energy agreement between Decathlon's industrial partners and CGN represents a major milestone in securing a low carbon future for industrial production globally. Inclusive and equitable climate action is the only way we're going to deliver our objective, which is why for Decathlon, tackling climate change is a team effort."

The company has also partnered with several renewable energy suppliers both on and off site in Bangladesh, Mainland China, India and Vietnam. These collaborations include feasibility studies and aim to help Decathlon's suppliers adopt and deploy renewable energies locally.

TRANSPORT AND LOGISTICS

Decarbonising the transportation of goods

In a changing global environmental, economic and geopolitical context, optimising and decarbonising transport circuits for finished products represents significant opportunities for companies.

So, to limit its impact and meet today's freight transport challenges, Decathlon is continuing its efforts to reach the objective of a 20% reduction in absolute CO<sub>2</sub> emissions by 2026, compared to emissions measured in 2021.

2023 HIGHLIGHTS

Decathlon is deploying its new international transport decarbonisation strategy, aligned with the company's goal to reduce its absolute CO<sub>2</sub> emissions by 20% by 2026, compared to emissions measured in 2021.

Breakdown of the quantities of finished products transported per mode of transport as of 31/12/23



Air: 0.03%  
0.4% in 2022<sup>54</sup>



Road: 10.7%  
8.5% in 2022



Sea: 89.3%  
88.4% in 2022



Rail<sup>55</sup>: 0%  
2.7% in 2022

54. The 2022 data has been reprocessed following an update to the data collection process. More information available in the methodological note on p.75.  
55. More information available in note 26 on p.75.  
56. More information on building certification on p.62.  
57. The 2022 data has been revised following a change in the data collection process. More information available in the methodological note on p.75.

KEY FIGURES as of 31/12/2023

72 logistics warehouses worldwide  
74 in 2022

14 warehouses have received environmental certification<sup>56</sup>  
13 in 2022

24.6% low-carbon kilometres for product transport in Europe  
25.2% in 2022

111.9 gCO<sub>2</sub>e generated per article worldwide  
168 gCO<sub>2</sub>e in 2022<sup>57</sup>

KEY FIGURES as of 31/12/2023

48.1% of electricity consumed by production sites on the priority guidance list came from renewable sources<sup>48</sup>  
44% in 2022

8.1% of electricity consumed by production sites on the priority guidance list came from renewable sources, excluding certificate purchases  
6% in 2022

46. A more comprehensive mapping of Rank 2 suppliers using coal is currently underway.  
47. Proofs of purchase allowing companies to guarantee and communicate their renewable energy supply to their consumers.  
48. 546 production sites selected by Decathlon buyers to receive guidance on decarbonisation topics as of 31/12/2023.  
49. For more information on CGNP: <http://en.cgnp.com.cn/>.  
50. Aggregated Power purchase agreements (PPA) and project-specific supply contracts with an electricity producer.  
51. For more information on the signing of this contract: <https://www.decathlon-united.media/pressfiles/decathlon-major-renewable-energy-initiative-in-china>.  
52. Around 179 million euros.  
53. According to the EPA Greenhouse Gas Equivalencies Calculator: <https://www.epa.gov/energy/greenhouse-gas-equivalencies-calculator>.

Deploying the new strategy to decarbonise transport on an international scale

In 2023, Decathlon implemented its **new international transport decarbonisation strategy, with four pillars:**

- Measure and **monitor the countries' CO<sub>2</sub> performance**, defining a reduction trajectory adapted to local contexts
- **Improve the skills** of teams around decarbonisation, so they can better analyse carrier's offers
- **Lead an international network** to promote the sharing of best practices
- Establish **responsible partnerships** with carriers, using the EcoVadis rating<sup>58</sup>

The goal of this strategy is to **make transport less harmful by reducing the company's carbon footprint internationally.**

Reducing the impact of transport

BREAKDOWN OF TRANSPORT MODES

To reach its climate objectives, Decathlon is prioritising actions on the modes of transport offering the greatest potential for reducing emissions.

Air transport

Air transport has the greatest impact in terms of greenhouse gas emissions. In 2023, Decathlon strengthened its collaboration with all sectors of its value chain in order to reduce the share of air transport in its transport choices. This means more closely monitoring transport requests, made possible by incorporating emission reduction objectives into the job descriptions of certain key positions. Thanks to this work, Decathlon was able to stay within its annual CO<sub>2</sub> air budget for 2023, **with the volume of Decathlon products transported by air falling from 0.4% in 2022 to 0.03% in 2023.**

Road transport

To reduce the impact of road transport, Decathlon **uses contracts with carriers as leverage** to decarbonise the transport of finished products. Training purchasing managers is at the heart of the transport decarbonation strategy, to ensure they are able to establish contracts with road hauliers, using a framework for the purchase of biofuels. This has enabled the company to optimise the use of road transport and to develop partnerships with carriers to reduce emissions from this mode of transport.

Sea freight

Decathlon wanted to collaborate with shippers using biofuels in 2023. However, the rising price of biofuels and the company's increased vigilance on priority spending sectors led to this solution being halted temporarily. It can be noted that, in terms of tonnes transported per kilometre travelled, CO<sub>2</sub> emissions related to sea freight remain among the lowest in the transport market.

Thanks to the team's efforts in 2023, **the total CO<sub>2</sub> impact of transporting Decathlon's finished goods fell by 28.5%** compared with 2022.

THE CHALLENGE OF POST-SHIPPING FOR DECATHLON

The global context

In 2023, a global inflationary context led to a decline in consumption worldwide. This helped tensions observed in the post-shipping sector after the COVID-19 crisis to continue to ease, allowing Decathlon to better align transport volumes with real needs and to shorten the lifespan of warehouse stocks. To make appropriate transport choices, four key criteria for post-shipping were considered: service quality, delivery time, alternative energy solutions and transport costs.

Main advances in Europe in 2023

In 2023, 71% of shipped products transited inside Europe. Therefore, post-shipping in this region is essential in reducing Decathlon's impact. The company exceeded its initial target of 65% this year with **87.9% of kilometres travelled in Europe using diesel alternatives for transporting these products** (62% in 2022). Country initiatives were introduced, including France's use of rapeseed oil (low CO<sub>2</sub> emissions) as an alternative fuel and the development of an HVO fuel<sup>59</sup> for diesel lorries made entirely from recycled oils in Belgium and France. At the same time, Decathlon continued to use train and barge services for certain logistics warehouses, increasing the quantities transported while reducing the CO<sub>2</sub> emissions related to product transport.

This year, logistics and transport teams also measured **emission factors by fuel type**. This allowed them to share the knowledge acquired on environmental issues and the consequences of each mode of transport with operational teams and to make informed choices during the selection process.



ACTIONS IN STORES AND WAREHOUSES

Improving the environmental performance of buildings

According to the latest report by the Global Alliance for Buildings and Construction (GlobalABC), hosted by the UN Environment Programme (UNEP), the construction sector represented 37% of energy and process-related carbon emissions in 2022<sup>60</sup>. Despite a 3.5% reduction in energy intensity, energy demand and related emissions have increased by about 1% per year since 2021. If nothing is done to accelerate building decarbonisation, the long-term results will be insufficient to keep global warming within +1.5°C.

Recognising the crucial importance of the building sector in fighting climate change, Decathlon is focusing efforts on its energy consumption and has committed to purchase 100% of **electricity at its stores and warehouses from renewable sources by 2026**. At the same time, the company is implementing energy efficiency and renewable energy production action plans. To include this objective in a sustainable real estate strategy, the Group is now investing in the environmental certification of its owned buildings.

2023 HIGHLIGHTS

Following the deployment of the Group-wide sustainable real estate strategy, Decathlon validated experiments for the on-site production of renewable energy (photovoltaic panels), pursued the environmental certification of its owned buildings.

Seven new countries/regions began purchasing electricity from renewable sources in 2023. Overall, the company reached 87.1% of electricity from renewable sources (mainly through the purchase of Guarantees of Origin certificates).

KEY FIGURES as of 31/12/2023

87.1% of electricity from renewable sources  
84.8% in 2022

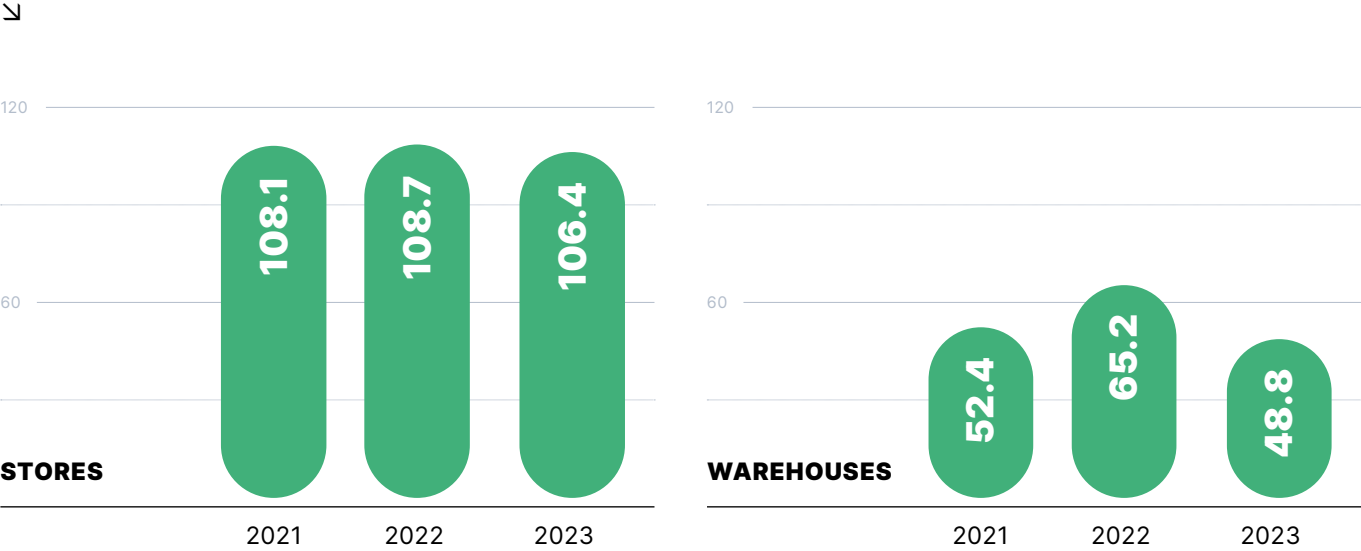
48.4% of owned stores sales area with environmental certification  
22.8% in 2022

58. More information on EcoVadis on p.221.  
59. HVO stands for Hydrotreated Vegetable Oil.

60. Global ABC, UNEP, "Global Status Report for Buildings and Construction", March 2024: <https://www.unep.org/resources/report/global-status-report-buildings-and-construction>.

Changes in electricity efficiency – Stores and warehouses

Per year worldwide, in kWh/m²  
as of 31/12/2023



Deploying a new sustainable real estate strategy at the international scale

Decathlon's objectives are to achieve "100% electricity from renewable sources in company-owned stores and warehouses" and "environmental certification for 100% of owned buildings" by 2026. In 2023, the action plans defined for these two themes were pursued in parallel. This strategy was deployed first for stores and warehouses owned by the company and then for leased buildings. It has two main focuses:

- 1. The environmental certification of stores and warehouses:** Decathlon is focusing on international certifications for its buildings, and more specifically on EDGE (Excellence in Design for Greater Efficiencies) Level 1 certification<sup>61</sup>; this is a programme developed by the International Finance Corporation, a member of the World Bank group. In 2023, a total of **217 Decathlon stores (of which 162 are company owned) and 14 warehouses** were already certified at global level (LEED, BREEAM, HQE, EDGE, etc.); meaning that 122 new stores<sup>62</sup> and one new warehouse were certified in 2023. Since 2022, Decathlon has used an incentive mechanism to help finance a portion of the costs incurred by local teams to obtain environmental certification. Dedicated to company-owned sites, this mechanism aims to speed up the pace of site certification. In addition, Decathlon signed a contract with SGS<sup>63</sup> and Sintali<sup>64</sup> to certify EDGE 101 company-owned stores in 2023.
- 2. The use of renewable energies in stores and warehouses, first through the installation of photovoltaic panels on site<sup>65</sup>, then via off-site production projects<sup>66</sup> and finally, through a complementary approach with Guarantee of Origin certificates. More information available in note 37 on p. 76.**



→ 2023 PERFORMANCE

RENEWABLE ENERGY

Energy consumption is at the heart of all of Decathlon's activities. In 2020 therefore, the company committed to using 100% of electricity from renewable sources in its direct activities by 2026 in its efforts to limit its impact on the planet.

**In 2023, seven new countries/regions** embarked on this path. Overall, Decathlon **reached 87.1% of electricity from renewable sources in 2023** compared to 84.8% in 2022. This year, its electricity supply from renewable sources represented:

- 3.4% generated from photovoltaic panels installed on site (2.5% in 2022)
- 96.6% generated from green energy procurement contracts and Guarantee of Origin certificates (97.5% in 2022)

Note that the percentage of renewable energy procurement achieved through the installation of photovoltaic solar panels on site is expected to increase in the coming years. Following a call for tenders launched in Europe in 2022, a memorandum of understanding was signed for the installation of photovoltaic panels at 74 Decathlon sites in seven countries. In 2023, deployment began in Germany (6 sites), Belgium (1 site), Spain (7 sites) and Italy (15 sites), and will continue over the next few years. In addition, 16 other contracts for ten countries<sup>67</sup> and three letters of intent<sup>68</sup> were signed in 2023.

**7**  
**new countries/regions began purchasing electricity from renewable sources:**  
Australia, Egypt, Ireland, Malaysia, Serbia, Slovenia and Taiwan

KEY FIGURE as of 31/12/2023

ENERGY CONSUMPTION AND ENERGY EFFICIENCY

**This year, Decathlon reduced its total energy consumption** from 775,292,918 kWh in 2022 to 687,171,494 kWh in 2023. This performance can be explained by the closure of some stores in Mainland China and all the sites in Russia, as well as by efforts to improve energy efficiency and sobriety, especially in Europe's top energy-consuming countries. Part of the reduction is also due to overestimated total energy consumption for 2022<sup>69</sup>.

**Decathlon's energy efficiency performance remained stable in 2023:**

- In stores:** Despite the energy efficiency measures introduced in 2022 (LED lighting, energy management systems, building certification procedures and sobriety plans), energy consumption remained stable in stores (106.4 kWh/m² in 2023 vs 108.7 kWh/m² in 2022). The impact of these measures should be compared to other factors that can lead to a rise in energy consumption, such as greater use of air conditioning during hotter summer weather and the growing use of digital technology
- In warehouses:** Despite the significant difference observed between 2022 and 2023 data (65.2 kWh/m² in 2022 vs 48.8 kWh/m² in 2023), performance actually remained unchanged in warehouses, due to a problem with 2022 data that was identified during the year<sup>70</sup>. Despite the energy efficiency measures put in place, continued mechanisation increased energy consumption at warehouses this year.

61. For more information about EDGE: <https://edgebuildings.com/>.  
62. Of which 103 are owned and 19 are leased.  
63. For more information on SGS activities: <https://www.sgs.com/>.  
64. For more information on Sintali: <https://www.sintali.com/>.  
65. Through Power Purchase Agreements (PPA).  
66. Renewable electricity generation at a remote site.

67. Australia, Mainland China, Colombia, France, Latvia, Malaysia, the Philippines, Romania, Spain and Thailand.  
68. Poland, Taiwan and the United Kingdom.  
69. More information in note 34 on p. 76.  
70. More information in note 38 on p. 76.

# TEAMMATE AND CUSTOMER ECOMOBILITY

## Promoting mobility with less impact on the environment

Customer travel to Decathlon stores and teammate commutes represented 12.5% of the company's total CO<sub>2</sub> emissions in 2022. To reduce this impact, promote modes of travel that have less impact on the the environment and encourage their use every day, Decathlon has decided to become an agent for ecomobility<sup>71</sup>. The main objectives of this strategy involve reducing retail-related greenhouse gas emissions, while highlighting the health benefits of active modes of travel for all.

### 2023 HIGHLIGHTS

An **accessibility index** was deployed in priority countries to allow sites to assess their own accessibility.

Decathlon **held awareness events** during Mobility Week again this year.

Decathlon **achieved its goal of teammate travel using ecomobility reaching 40% of the total kilometres travelled**, which was initially set to be attained by 2026.

KEY FIGURES as of 31/12/2023

**0.78%**  
of Decathlon's carbon emissions were due to travel by teammates  
0.75% in 2022<sup>72</sup>

**11.67%**  
of Decathlon's carbon emissions were due to travel by customers  
10.76% in 2022

**40%**  
of the kilometres travelled by teammates during their work commutes was using active mobility or ecomobility<sup>73</sup>  
34% in 2022<sup>74</sup>

**21%**  
of the kilometres travelled by customers to go to Decathlon stores was using active mobility or ecomobility<sup>75</sup>  
17% in 2022



### Definitions: active mobility and ecomobility

- For Decathlon, **active mobility** means transport modes that use human energy without assistance, except for electric assistance
- For Decathlon, **ecomobility or soft mobility** means transport modes that emit less than 0.10 kg of CO<sub>2</sub> equivalent per kilometre, as well as buses and electric cars. Internal combustion cars and motorcycles are not included in the percentage of ecomobility

## Setting ambitious targets and building an international strategy

### OBJECTIVES

Wanting to encourage the development of ecomobility for both its customers and employees, Decathlon aims to reach two goals by 2026:

- **For employees:** 40% of the kilometres travelled by teammates during their work commutes to use active mobility or ecomobility. The company employs several tools to measure this indicator depending on the country:
  - **An internal survey** to determine the number of kilometres travelled per store and per country (in 33 countries)
  - **A mobile app** that allows people to automatically calculate the distances they travel
  - **Reporting** via human data management software<sup>76</sup>
- **For customers:** 30% of the kilometres travelled in order to go to Decathlon stores to use active or eco- mobility

### THE STRATEGY

To reach these goals, Decathlon uses an external overall approach<sup>77</sup> to promote sustainable mobility, as well as reduce fossil fuel consumption and greenhouse gas emissions related to transportation. This approach has three main principles:

- **Avoid:** Reduce the need for motorised travel and decrease distances
  - **Shift:** Increase the use of less energy-intensive modes of transport
  - **Improve:** Improve vehicle energy efficiency
- The company is implementing a strategy based on five pillars:
- **Facilitate access to Decathlon sites** for teammates and customers *via* modes of transport that have less impact, to promote ecomobility
  - **Develop a methodology to accurately measure** the impact of mobility on a global scale
  - **Develop alliances** with key players in the mobility sector
  - **Educate customers and teammates** about physical activity and ecomobility
  - **Help other companies reduce their mobility-related emissions** by sharing best practices and expertise developed by Decathlon

71. For more information: <https://conseilspport.decathlon.fr/mobilite-douce-trotinette-roller-velo-definition-et-conseils>.

72. The 2022 data was reprocessed after Decathlon switched to the GHG protocol to calculate its carbon footprint this year. More information in the methodological note on p. 70.

73. Survey conducted in 2023 in 33 countries.

74. This figure has been updated following an error detected in the 2022 value. For more information, see methodological note on p. 78.

75. Survey conducted in 2023 in 21 countries.

76. HR software: Effiplan.

77. This approach has been adopted by various organisations and experts, including the United Nations Environment Programme. For more information: [https://www.transformative-mobility.org/wp-content/uploads/2023/03/ASI\\_TUMI\\_SUTP\\_iNUA\\_No-9\\_April-2019-Mykme0.pdf](https://www.transformative-mobility.org/wp-content/uploads/2023/03/ASI_TUMI_SUTP_iNUA_No-9_April-2019-Mykme0.pdf).

Taking measures  
to boost ecomobility

IMPLEMENTING AN  
ACCESSIBILITY INDEX

In 2023, **the company rolled out an index allowing sites to assess their own level of accessibility** in countries having the greatest number of teammates and customers. This tool has enabled an initial inventory to be drawn up and will be used to define priorities in developing local infrastructures to reduce the environmental impact of customer and teammate mobility, starting in 2024. This index will be rolled out to all countries in 2024.

PHASING IN  
STRATEGY DEPLOYMENT

Following tests conducted in Spain over the past few years<sup>78</sup>, **Decathlon is now sharing proven action plans** (an app to encourage teammates to carpool, ecomobility infrastructures on Decathlon sites, etc.) **with as many countries as possible** while supporting them in the creation of their own ecomobility strategies, taking local constraints and specificities into account. **An ecomobility guide** was distributed internationally in 2023. It shares best practices with all countries and serves as a basis for reflection to follow the Spanish model, which is very advanced on the subject.

Actions are gradually being implemented in some countries through the development of a global network and regular sharing of best practices<sup>79</sup>. In each of these countries, project managers implement action plans adapted to the local context based on Decathlon's global strategy.



RAISING CUSTOMER AWARENESS

To promote a rapid change in commuting habits, 18 countries<sup>80</sup> held awareness events during **Mobility Week** from 16 to 22 September 2023. The events included bicycle repair workshops, bike helmet customisation workshops for children, in-store product testing, safety equipment and advice from teams on site. A total of **155 events dedicated to ecomobility** were also held in eight countries throughout the year<sup>81</sup>.

In 2023, Decathlon also created the **“safe cycling network”** in partnership with the Urban Cycling Institute<sup>82</sup>. The aim of this network of experts is to **raise the profile of safe cycling for everyone outside Decathlon sites**.

PROMOTING ECOMOBILITY  
AT THE EUROPEAN LEVEL

Active mobility is doubly important because it helps protect both the environment and public health. According to the World Health Organisation, 28 million children are at risk of being obese by 2035. To take action on this issue and promote modes of travel that have less impact on the environment, Decathlon is promoting cycling throughout Europe. In coalition with external stakeholders (EU Cycling Strategy<sup>83</sup>, Cycling Industries Europe<sup>84</sup>, Confederation of the European Bicycle Industry<sup>85</sup>), the Group has launched discussions with European institutions to help construct public policies aimed at increasing active mobility and ecomobility.

In 2023, the European Commission proposed a 36-point strategy<sup>86</sup> to engage the European Union in deploying solutions and infrastructures to promote active mobility. It will be studied by the European Parliament in 2024.

→ 2023 PERFORMANCE

In 2023, **40% of the kilometres travelled by teammates in their work commutes was using active mobility or ecomobility** (33% in 2022). This progress was made possible thanks to the teams' strong commitment to provide guidance on the topic, and to the sharing of best practices between countries. Since the Transition Plan commitment has been achieved, a new target will be set in 2024.

Note that **21% of the kilometres travelled by customers** to go to Decathlon stores was using active mobility or ecomobility (17% in 2022). The target of reaching 30% by 2026 remains unchanged.

78. More information available in NFRD 2022, p.112.

79. Brazil, Chile, Colombia, France, Hungary, Italy, Poland and Thailand.

80. Chile, Colombia, France, Germany, Italy, the Netherlands, the Philippines, Poland, Portugal, Serbia, Slovakia, Slovenia, South Korea, Spain, Switzerland, Thailand, Tunisia and the United Kingdom.

81. Belgium, Croatia, France, Hungary, Ivory Coast, the Philippines, Slovenia and Tunisia.

82. For more information on the Urban Cycling Institute: <https://urbancyclinginstitute.org/>.

83. For more information on the EU Cycling Strategy: [https://ecf.com/eu\\_cycling\\_strategy](https://ecf.com/eu_cycling_strategy).

84. For more information on Cycling Industries Europe: <https://cyclingindustries.com/>.

85. For more information on the Confederation of the European Bicycle Industry: <https://www.conebi.eu/>.

86. For more information on the European Commission's proposal: [https://transport.ec.europa.eu/document/download/7be18abd-4901-420a-b3a7-2485c96a7e0a\\_en?filename=European\\_Declaration\\_on\\_Cycling\\_en\\_0.pdf](https://transport.ec.europa.eu/document/download/7be18abd-4901-420a-b3a7-2485c96a7e0a_en?filename=European_Declaration_on_Cycling_en_0.pdf).

# PERFORMANCES INDICATORS

| FIGHT AGAINST CLIMATE CHANGE<br>(IN STORES AND WAREHOUSES, AT SUPPLIERS)                            |                                                                                   | 2022                          | 2023                                                      |
|-----------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|-------------------------------|-----------------------------------------------------------|
| SCOPES 1, 2 AND 3 CO <sub>2</sub> EMISSIONS                                                         |                                                                                   |                               |                                                           |
| Greenhouse gas emissions by scope<br>(from 01/01 to 31/12) in tonnes of CO <sub>2</sub> equivalent: |                                                                                   | 11,594,945 tCO <sub>2</sub> e | 10,434,665 tCO <sub>2</sub> e<br>(Notes 10, 11, 12 et 13) |
| → Scope 1                                                                                           |  | 29,847 tCO <sub>2</sub> e     | 27,275 tCO <sub>2</sub> e                                 |
| → Scope 2 (Location based methodology)                                                              |  | 180,927 tCO <sub>2</sub> e    | 173,033 tCO <sub>2</sub> e                                |
| → Scope 2 (Market based methodology)                                                                |  | 44,166 tCO <sub>2</sub> e     | 31,680 tCO <sub>2</sub> e                                 |
| → Scope 3                                                                                           |                                                                                   | 11,520,932 tCO <sub>2</sub> e | 10,375,710 tCO <sub>2</sub> e                             |

NFRD 2023 methodological notes

- Scope 1: direct emissions
- Scope 2: indirect emissions linked to energy consumption
- Scope 3: other indirect emissions (procurement, transport, use, end-of-life, etc.)

Note 10: Regarding the methodological changes adopted for Decathlon's assessments:

PRODUCT IMPACT (EXCLUDING TRANSPORT UPSTREAM AND DOWNSTREAM OF THE VALUE CHAIN):

In 2023, Decathlon changed the way it calculates the impact of its products in two ways:

- Changes to emissions factors were made in March, with no impact on ecodesign and decarbonisation strategies. Environmental data was corrected (for example, water-repellent primers without perfluorocarbons and correction of the recycled solvent rate in coating data), resulting in a reduction of around 300 kt of CO<sub>2</sub>e in Decathlon's carbon footprint. These changes have been applied to the historical impact generated in 2021 and 2022;
- Assessment methodology: Including suppliers' textile assembly processes directly in the calculation tools has made it possible to calculate the environmental impact of textile products more accurately and avoid manual adjustments to the carbon footprint (bonus-malus). This change in methodology improves the reliability of product impact calculations by reducing the risk of error. These changes have been applied to the historical data for the impact of products in 2021 and 2022.

ENERGY IMPACT IN PRODUCTION:

In order to bring more precision to the measurement of energy consumed in production, Decathlon introduced a bonus-malus calculation in 2021 to add the CO<sub>2</sub>e emissions generated by the production of kWh not measured in the life cycle analyses (with a proportion from renewable energy sources). In 2023, two major changes were made to this calculation. Firstly, Decathlon integrated the measurement of two new industrial processes (textiles and footwear) directly into its life cycle analyses, with the aim of making them more reliable and automated. Secondly, in order to have a better measurement, Decathlon included thermal energy, and not just renewable electricity, in the calculation. This addition will improve the accuracy of Decathlon's carbon footprint measurement.

TRANSPORT DOWNSTREAM OF THE VALUE CHAIN:

The process of estimating the transport of products sold in e-commerce has been automated by the teams, without any change in methodology, in order to reduce the risk of error.

RETAIL & LOGISTICS:

In 2023, Decathlon aligned its waste emission factors with the GHG Protocol methodology, which recommends that all recycling and incineration flows with energy recovery should be subject to zero emission factors. This leaves only the impact of hazardous waste, landfill and incineration (without energy recovery). The emission factors for landfill and incineration were calculated using the European PEF (Product Environmental Footprint) method, which Decathlon uses internally to calculate the impact of its products.

Note 11: Regarding the changes in scope for Decathlon's assessments:

PRODUCT IMPACT (EXCLUDING TRANSPORT UPSTREAM AND DOWNSTREAM OF THE VALUE CHAIN):

In terms of value, the proportion of products taken into account in the assessment of greenhouse gases remained relatively stable: from 85.8% to 85.2% for OIB products and from 97.7% to 97.5% for Decathlon products.

In terms of volume, the share of products that have undergone an environmental assessment is as follows: 33% for OIB products (compared with 31% in 2022), and 91% for Decathlon products (compared with 79% in 2022).

The number of references sold that have undergone an environmental assessment is up (+2% with and without OIB).

ENERGY IMPACT IN PRODUCTION:

In 2023, the number of suppliers sharing energy data with Decathlon using the Resource Advisor tool increased (995 sites in 2023 compared with 846 in 2022 and 764 in 2021).

UPSTREAM TRANSPORT (WAREHOUSE TO WAREHOUSE):

The geographical scope considered has increased: in 2022, 94.3% of worldwide data was included in the CO<sub>2</sub> assessment, compared with 99.96% in 2023.

In Europe, CAR - CAC (Regional and Continental Supply Centres) product return flows were integrated in 2023, as well as CAC Factory (CACs located as close as possible to bicycle production plants) - CAR flows. It should be noted that it was not possible to recalculate historical data. The results for 2023 are therefore not comparable with those for 2022 in this geographical area, and therefore not comparable overall.

SITE CONSTRUCTION AND OPERATION:

The scope covers all stores excluding franchises.

Note 12: Regarding Decathlon's CO<sub>2</sub> reduction targets:

The company-wide commitments on climate impact mitigation are the same as in 2022:

- 90% reduction in absolute emissions (tCO<sub>2</sub>e) on scopes 1 and 2 between 2016 and 2026;
- 53% reduction in carbon intensity (tCO<sub>2</sub>e/€ of added value) on scopes 1, 2 and 3 between 2016 and 2026;
- and encouraging suppliers representing 90% of CO<sub>2</sub>e emissions linked to the production of products to define their own reduction trajectory in line with science.

Since the beginning of 2023, Decathlon has been committed to reducing its CO<sub>2</sub>e emissions in absolute terms, in line with an internal target of a 20% reduction by 2026 compared to 2021, in order to comply with the Paris Agreement. This 20% reduction by 2026 is an intermediate step towards achieving a 42% reduction in absolute CO<sub>2</sub> emissions by 2030 and a 90% reduction in absolute CO<sub>2</sub> emissions by 2050, based on emissions measured in 2021 (scopes 1 and 2 + scope 3), to help achieve global carbon neutrality.

Decathlon therefore submitted these new objectives to the SBT initiative in mid-2023. These trajectories have been designed to achieve the reduction targets submitted to the Science Based Targets Initiative in 2023 and validated in March 2024.

In 2023, Decathlon's commitment was to reduce its overall CO<sub>2</sub>e greenhouse gas emissions by 2%, with the ambition of achieving a 3% reduction compared to 2022, for a total reduction of 5.5% compared with 2021, the new reference year. Targets were exceeded, with a drop of 10.01% in CO<sub>2</sub>e in 2023 compared with 2022 and 11.70% compared with 2021.

PRODUCT IMPACT (EXCLUDING TRANSPORT UPSTREAM AND DOWNSTREAM OF THE VALUE CHAIN):

In 2023, efforts were focused on the quality of environmental assessments of products in order to improve their measurement. At the end of the year, 96% of Decathlon's sales were generated by products with a level 1 rating (a classification that recognises products with a rating that is consistent with the products assessed). This project was driven by the technical directors, who lead the design teams.

GLOBAL TRANSPORT:

In 2023, the objective was to reduce emissions by 4% in absolute value of CO<sub>2</sub>e compared with 2021, and 9% in terms of intensity for kgCO<sub>2</sub>e/article compared with 2021. In 2024, the aim is to reduce Decathlon's CO<sub>2</sub>e impact by 6% compared with 2023.

SITE CONSTRUCTION AND OPERATION:

Decathlon has switched from scopes 1 and 2 targets to a commitment to the entire value chain (scopes 1, 2 and 3) and is nevertheless continuing to work towards an ambitious 90% reduction in scopes 1 and 2 compared with the 2016 reference year in order to help achieve the target set for scopes 1, 2 and 3.

Note 13: Regarding the analysis of Decathlon's carbon footprint in 2023:

PRODUCTION AND RETAIL:

Decathlon maintains visibility on previous intensity commitments validated by the SBT initiative, but has already anchored reduction objectives in absolute value in its project and in its communication. The carbon footprint is therefore analysed in the light of these new objectives. This represents an important step forward in Decathlon's climate strategy, as reducing carbon intensity does not necessarily mean reducing greenhouse gas emissions as a result of increased volumes sold. Reduction in absolute value is a prerequisite for compliance with the Paris Agreement.

For its new commitment to the SBT initiative, Decathlon has decided to simplify the objectives:

- encourage suppliers, who account for 90% of the CO<sub>2</sub>e emissions linked to the production of its products, to define their own reduction trajectory in line with science and
- reduce emissions in scopes 1 and 2 by 90%

These two internal commitments are a means of achieving the new reduction objectives in absolute value.

This new commitment reflects a determination to reduce emissions in absolute value, irrespective of changes in activities, and is reflected in two long-term objectives:

- a 42% reduction in CO<sub>2</sub>e emissions in absolute value by 2030 compared with 2021 on scopes 1, 2 and 3
- a 90% reduction in CO<sub>2</sub>e emissions in absolute value by 2050 compared with 2021 on scopes 1, 2 and 3, as well as the use of carbon sequestration to cover the remaining 10% in order to achieve the net zero-carbon objective

Decathlon submitted these new objectives to the SBT initiative in mid-2023 (submission still awaiting validation).

PRODUCT IMPACT (EXCLUDING TRANSPORT UPSTREAM AND DOWNSTREAM OF THE VALUE CHAIN):

Products sold account for around 84% of Decathlon's CO<sub>2</sub> emissions. This is the largest share of its carbon footprint. Since 2018, the company has therefore embarked on a low-carbon design strategy through the ecodesign of its products. The aim is to limit the environmental impact as much as possible. Decathlon measures this strategy by the proportion of its sales generated by products benefitting from an ecodesign approach and by the CO<sub>2</sub> emissions of products sold (in absolute value), expressed in kg of CO<sub>2</sub>e.

In terms of ecodesign, the share of sales generated by products benefitting from an ecodesign approach in 2023 increased by 15.8 points compared with 2022, rising from 23% to 38.8%, i.e. €7.1 billion in sales over the year (up by €2.9 billion compared with 2022).

In terms of volume of absolute CO<sub>2</sub> emissions, Decathlon's impact decreased by 935,000 tonnes of CO<sub>2</sub>e, i.e. 10% of total emissions. Textile products are the main contributors to this reduction, as they benefit most from ecodesign actions. Furthermore, while the company's actions explain a 4% reduction in Decathlon's CO<sub>2</sub> emissions (out of the 10%), the drop in the quantities sold in 2023 compared with 2022 explains the remaining 6% (out of the 10%), in particular due to the drop in sales of equipment products (cycling, fitness equipment, etc.), which has significantly affected the sales mix.

However, Decathlon has continued to decouple its sales in terms of turnover, which are rising, from its CO<sub>2</sub> emissions, which are falling, since 2020.

ENERGY IMPACT IN PRODUCTION:

In 2023, 1,290 production sites were active in the GEX supplier management tool and 995 were measuring their energy sources in the Resource Advisor tool.

This year, the CO<sub>2</sub> impact has been significantly reduced, thanks in particular to (i) the actions taken by the production sites to increase the use of renewable energies and reduce the use of coal for heating, and (ii) the reduction in orders to optimise the company's stock levels.

The positive developments and highlights for 2023 include:

- the work carried out by Decathlon and 14 partners to co-sign an offshore electricity purchase contract in Mainland China
- the sharp reduction in the use of coal as a source of thermal energy at production sites in Mainland China

Overall, the proportion of renewable energy consumed by the sites increased by 8 points and coal consumption by the production sites fell by more than 30%. In 2024, Decathlon will continue to support its suppliers in their decarbonisation through its renewable energy, coal phase-out and energy efficiency strategies.

IMPACT OF TRANSPORTING PRODUCTS:

A. International main-leg transport (from the port of departure to the port of arrival):

In 2023, Decathlon implemented its strategy to reduce air transport on an international scale in a more robust way. Since 2023, various logistics players have been working on specific performance indicators (air CO<sub>2</sub> budget, monitoring and management of "unnecessary" air transport). A process for validating international air transport in line with business needs and sustainable development constraints has been put in place.

In 2023, as part of its transport purchasing strategies and in order to reduce lead times, the company increased the use of road transport in Turkey and Africa, to the detriment of sea transport. Due to the geopolitical context (Russia/Ukraine), it was not possible to continue rail transport on certain international transport sections in 2023. This was therefore replaced by maritime transport. Between 2022 and 2023, Decathlon saw a reduction of 36% of kgCO<sub>2</sub>e.

B. International post-shipping (from the port of arrival to the CAC):

In France, when leaving Dunkirk and Fos-sur-mer, rail was largely chosen over barge in 2023 as opposed to 2022. In addition, this year the geopolitical context (Russia/Ukraine) led to a shortage of drivers and a rise in the cost of fuel. These negative impacts prompted the company to make more extensive use of multimodal transport, which led to greater consolidation on the part of carriers and, as a result, cheaper multimodal transport. Where road transport is used, the strategy for 2023 was to reduce the share of gas and diesel transport, in favour of HV100 and B100 transport (based on biofuel, such as rapeseed). The French government also introduced subsidies (a tax bonus) to encourage the purchase of new tractors running on rapeseed, thereby developing B100 solutions for French carriers. HVO (hydrotreated vegetable oil biofuel) solutions also rose sharply in 2023. Decathlon saw a 35% reduction in kgCO<sub>2</sub>e between 2022 and 2023.

C. Continental transport (warehouse to warehouse):

In 2023, the weekly coordination of the average fill volume per lorry between the key import warehouses and the distribution warehouses in Europe, as well as the work to adapt supply patterns to the economic context, made it possible to optimise lorry loading and therefore carbon emissions. Between 2022 and 2023, Decathlon saw a reduction of 20% of kgCO<sub>2</sub>e.

D. National transport (warehouse to store):

Writing the transport decarbonisation strategy has also helped to transform local purchasing strategies and therefore increase low-carbon transport on the warehouse to store leg.

STORES AND WAREHOUSES:

The climate performance of the sites is explained by the following points:

- Air conditioning: the carbon impact of refrigerant leaks has slightly increased. In fact, new countries such as Croatia, Turkey and Colombia have started to collect and monitor actual data rather than estimates, which means that these emissions, which were previously underestimated, are now more reliable
- Energy: Decathlon saw a reduction of 12.98% (scope 1 and scope 2 location-based) in carbon impact compared to 2022
- Construction: the significant decrease in the carbon impact of construction can be explained by the fact that Decathlon opened fewer sales areas in 2023 than in 2022, and that these new areas were opened proportionally more in existing buildings
- Business travel: budget restrictions and the new rules introduced in 2023 have contributed to a decrease of around 7% in business travel
- Employee travel: the carbon impact of employee travel has slightly decreased, and can be explained by the number of hours worked, which is also down
- Customer travel: total emissions linked to customer travel have decreased, which can be explained by an increase in customer ecomobility (21% in 2023 vs. 17% in 2022)
- Waste: a change in methodology has made estimates more reliable, which may explain a slight increase in the carbon impact
- Purchase of goods: the CO<sub>2</sub> impact of purchasing goods has increased by 11% compared with 2022, despite a significant reduction in the use of single-use plastics in stores. In 2022, only the impact of plastic stretch film was tracked. In 2023, the impacts of paper stretch film, adhesive tape (paper and plastic) and strapping (paper and plastic) were added. The e-commerce sector has also seen an increase in its impact: paper bags (+274%) and packaging solutions (not accounted for in 2022)

| FIGHT AGAINST CLIMATE CHANGE<br>(IN STORES AND WAREHOUSES, AT SUPPLIERS)               | 2022                                     | 2023                                     |
|----------------------------------------------------------------------------------------|------------------------------------------|------------------------------------------|
| SCOPES 1, 2 AND 3 CO <sub>2</sub> EMISSIONS                                            |                                          |                                          |
| Breakdown of greenhouse gas emissions<br>by category in Scope 3 (from 01/01 to 31/12): |                                          | (Note 14)                                |
| → Category 1: Purchased goods and services                                             | 9,061,874 tCO <sub>2</sub> e<br>(78.65%) | 8,092,557 tCO <sub>2</sub> e<br>(78.00%) |
| → Category 2: Capital goods                                                            | 105,960 tCO <sub>2</sub> e<br>(0.92%)    | 94,732 tCO <sub>2</sub> e<br>(0.91%)     |
| → Category 3: Fuel and energy-related activities                                       | 36,743 tCO <sub>2</sub> e<br>(0.32%)     | 35,229 tCO <sub>2</sub> e<br>(0.34%)     |
| → Category 4: Upstream transportation and distribution                                 | 258,728 tCO <sub>2</sub> e<br>(2.25%)    | 184,909 tCO <sub>2</sub> e<br>(1.78%)    |
| → Category 5: Waste generated in operations                                            | 28,790 tCO <sub>2</sub> e<br>(0.25%)     | 29,597 tCO <sub>2</sub> e<br>(0.29%)     |
| → Category 6: Business travel                                                          | 14,465 tCO <sub>2</sub> e<br>(0.13%)     | 13,390 tCO <sub>2</sub> e<br>(0.13%)     |
| → Category 7: Employee commuting                                                       | 86,886 tCO <sub>2</sub> e<br>(0.75%)     | 81,732 tCO <sub>2</sub> e<br>(0.78%)     |
| → Category 8: Upstream leased assets                                                   | 8,558 tCO <sub>2</sub> e<br>(0.07%)      | 7,658 tCO <sub>2</sub> e<br>(0.07%)      |
| → Category 9: Downstream transportation<br>and distribution (customer journeys)        | 1,239,250 tCO <sub>2</sub> e<br>(10.76%) | 1,210,561 tCO <sub>2</sub> e<br>(11.67%) |
| → Category 10: Processing of sold products                                             | 0 tCO <sub>2</sub> e<br>(0%)             | 0 tCO <sub>2</sub> e<br>(0%)             |
| → Category 11: Use of sold products                                                    | 544,114 tCO <sub>2</sub> e<br>(4.72%)    | 502,520 tCO <sub>2</sub> e<br>(4.84%)    |
| → Category 12: End-of-life treatment of sold products                                  | 130,297 tCO <sub>2</sub> e<br>(1.13%)    | 117,263 tCO <sub>2</sub> e<br>(1.13%)    |
| → Category 13: Downstream leased assets                                                | 0 tCO <sub>2</sub> e<br>(0%)             | 0 tCO <sub>2</sub> e<br>(0%)             |
| → Category 14: Franchises                                                              | 3,447 tCO <sub>2</sub> e<br>(0.03%)      | 3,795 tCO <sub>2</sub> e<br>(0.04%)      |
| → Category 15: Investments                                                             | 1,820 tCO <sub>2</sub> e<br>(0.02%)      | 1,767 tCO <sub>2</sub> e<br>(0.02%)      |

**NFRD 2023 methodological notes**  
**Note 14:** The transition of Decathlon's carbon footprint to the GHG Protocol format implies a distribution of emissions according to the scopes and categories set by this standard. Emissions are therefore broken down as shown in the table.

| FIGHT AGAINST CLIMATE CHANGE<br>(IN STORES AND WAREHOUSES, AT SUPPLIERS)                                           | 2022                                      | 2023                                      |
|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------|-------------------------------------------|
| CHANGE IN CO <sub>2</sub> EMISSIONS                                                                                |                                           |                                           |
| Change in greenhouse gas emissions<br>compared to the value for year Y-1                                           | -1.91%                                    | -10.00%                                   |
| Change in greenhouse gas emissions<br>compared to the value for the reference year 2016                            | 9.01%                                     | -1.87%                                    |
| % of reduction in absolute value on scopes 1 and 2 since 2016                                                      | -62.98%                                   | -68.84%                                   |
| CO <sub>2</sub> EMISSION INTENSITY                                                                                 |                                           |                                           |
| CO <sub>2</sub> emission intensity in kgCO <sub>2</sub> e per product sold                                         | 8.73 kgCO <sub>2</sub> e/<br>product sold | 8.77 kgCO <sub>2</sub> e/<br>product sold |
| Change in CO <sub>2</sub> emission intensity per product sold<br>compared to the value for year Y-1                | -3.55%                                    | 0.44%                                     |
| Change in CO <sub>2</sub> emission intensity per product sold<br>compared to the value for the reference year 2016 | -10.26%                                   | -9.87%                                    |
| CO <sub>2</sub> emission intensity in kgCO <sub>2</sub> e by sales<br>(sales excluding taxes)                      | 0.75 kgCO <sub>2</sub> e/€                | 0.67 kgCO <sub>2</sub> e/€                |
| Change in CO <sub>2</sub> emission intensity by sales<br>compared to the value for year Y-1                        | -12.2%                                    | -10.70%                                   |
| Change in CO <sub>2</sub> emission intensity by sales<br>compared to the value for the reference year 2016         | -29.63%                                   | -37.16%                                   |

| AVOIDED EMISSIONS             |                                                                   | 2022                         | 2023                                    |
|-------------------------------|-------------------------------------------------------------------|------------------------------|-----------------------------------------|
| AVOIDED EMISSIONS             |                                                                   |                              |                                         |
| Scope 4 (from 01/01 to 31/12) | <div><div>VERIFIED INFORMATION</div><div>mazars Audit</div></div> | 1,072,780 tCO <sub>2</sub> e | 909,423 tCO <sub>2</sub> e<br>(Note 15) |

**NFRD 2023 methodological notes**  
**Note 15:** This indicator is reported for the first time this year. To ensure comparability of data, avoided emissions for the year 2022 have been calculated. The calculation of avoided emissions relates solely to the sale of mobility products that enable customers to reduce their use of carbon-based modes of transport. Avoided emissions are calculated as the difference in impact between emissions without a solution (e.g. using a car) and with a solution (e.g. using a bicycle). To obtain Decathlon's contribution to avoided emissions, 15 categories of urban mobility products (bicycles and scooters) were studied to obtain 15 avoidance factors, which were then multiplied by the quantities of new products sold. The emissions avoided with Decathlon products are attributed 100% to the company and 23% for OIBs. Verification work was undertaken with the independent third-party organisation Mazars (excluding audit) to consolidate the methodology used.

| DECARBONISATION (SUPPLIERS)                                                                                |  | 2022 | 2023          |
|------------------------------------------------------------------------------------------------------------|--|------|---------------|
| FOCUS ON CO <sub>2</sub> MANAGEMENT IN THE SUPPLY CHAIN                                                    |  |      |               |
| Number of production sites autonomous in measuring their CO <sub>2</sub> e emissions (from 01/01 to 31/12) |  | 846  | 995 (Note 16) |
| Number of production sites having a reduction trajectory aligned with science (from 01/01 to 31/12)        |  | 475  | 549 (Note 17) |
| % of production sites on the priority guidance list having a reduction trajectory aligned with science     |  | n/a  | 83% (Note 18) |

**NFRD 2023 methodological notes**  
**Note 16:** This indicator concerns all production sites that measure their carbon emissions in the Resource Advisor tool. To be counted, the site must at least have declared electricity consumption between 01/01/2023 and 31/12/2023. A site which, for example, declared 1 month's consumption in 2023 in the tool is therefore counted.  
**Note 17:** There are two ways for a production site to be counted. It can follow the official SBTi validation process or Decathlon's internal validation process. There are three steps: define the trajectory using the SBTi excel tool (1), sign a commitment letter (2) and propose an action plan (3). These three steps are validated by Decathlon teams.  
**Note 18:** This indicator is reported for the first time this year. The scope of the indicator covers a panel of production sites chosen by Decathlon buyers to be guided on decarbonisation topics. As of 31/12/2023, there were 546 sites in this panel, 454 of which had a trajectory aligned with science (83%). The increase in the proportion of production sites with a reduction trajectory comes mainly from the validation of sites in Mainland China, Bangladesh and Italy.

| DECARBONISATION (SUPPLIERS)                                                                                                                           |                                                                   | 2022           | 2023                        |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|----------------|-----------------------------|
| FOCUS ON ENERGY MANAGEMENT IN THE SUPPLY CHAIN                                                                                                        |                                                                   |                |                             |
| % of electricity from renewable sources consumed by production sites on the priority guidance list (from 01/01 to 31/12)                              | <div><div>VERIFIED INFORMATION</div><div>mazars Audit</div></div> | 44%            | 48.1% (Note 19)             |
| % of electricity from renewable sources without offset certificates, consumed by production sites on the priority guidance list (from 01/01 to 31/12) |                                                                   | 6%             | 8.1% (Note 20)              |
| Number of production sites on the priority guidance list that have completed an energy maturity questionnaire (from 01/01 to 31/12)                   |                                                                   | n/a            | 357 (Note 21)               |
| → Number of production sites assessed as mature in energy management                                                                                  |                                                                   | n/a            | 55 (Note 22)                |
| Number of Rank 1 production sites using coal (from 01/01 to 31/12)                                                                                    |                                                                   | 32             | 27 (Note 23)                |
| Number of Rank 2 production sites using coal (from 01/01 to 31/12)                                                                                    |                                                                   | 11             | 9 (Note 23)                 |
| Tonnes of coal consumed by Rank 1 production sites                                                                                                    |                                                                   | 571,627 tonnes | 381,454 tonnes<br>(Note 24) |
| Tonnes of coal consumed by Rank 2 production sites                                                                                                    |                                                                   | 97,165 tonnes  | 40,138 tonnes<br>(Note 25)  |

**NFRD 2023 methodological notes**  
**The scope of the indicators linked to the list of priority initiatives covers a panel of production sites chosen by Decathlon buyers to be guided on decarbonisation issues and for which data is available. As of 31/12/2023, 546 sites were on the panel.**  
**Note 19:** The total percentage of renewable electricity consumed for 2023 is 48.1% which is higher than Decathlon's target of 45%. This figure covers all types of supply, including the purchase of offset certificates, as categorised by the supplier panel.  
**Note 20:** This indicator is reported for the first time this year. This figure covers a variety of supply methods, including on-site (installation of solar panels on the production site) and off-site, through the use of green tariffs (project-based) or power purchase agreements (PPAs). The main objective is to stimulate the supply of renewable energy through the deployment of on-site, off-site and green tariff (project-based) initiatives.  
**Note 21:** In 2023, 357 sites launched a survey to measure their energy management policy and level, their energy data collection infrastructure and the relevance of their energy efficiency investments. Although these 357 sites represent only 65% of the sites on the priority guidance list, they alone account for 92% of the carbon footprint of production (the majority of production sites that did not respond to the survey have low energy consumption).  
**Note 22:** This indicator is reported for the first time this year. In 2023, 55 sites were assessed as "mature" in terms of their energy management, meaning that they have advanced management of their energy consumption, including, for example, digital data meters on their machines that automatically measure their consumption and calculate energy efficiency. These 55 sites represent 10% of the sites on Decathlon's priority guidance list. However, most of them are major production sites with high energy consumption, which is why they give priority to energy management. The "mature" sites covered by this survey account for 37% of the carbon footprint in terms of production.  
**Note 23:** Most of Decathlon's carbon footprint comes from the manufacture of products sold in stores. To reduce this footprint, Decathlon is working with industrial partners to phase out the use of coal as a fuel in its processes in favour of low-carbon fuels. As of 31 December 2023, this number had fallen to 30, as six Rank 1 supplier sites stopped using coal during the year.  
**Note 24:** In 2022, it was reported that Rank 1 production sites consumed 417,088 metric tonnes of coal. However, these figures did not include data for December 2022. An audit of the carbon inventory led to a change in the 2022 figures after the report was published. Actual consumption in 2022 was 571,627 metric tonnes. Taking into account this adjustment to the data for 2022, the reduction in coal consumption at Rank 1 sites stood at 33% in 2023.  
**Note 25:** In 2022, it was reported that Rank 2 production sites consumed 111,436 metric tonnes of coal. However, an audit of the carbon inventory led to a change in the 2022 figures after the report was published. Actual consumption in 2022 was 97,165 metric tonnes. Taking into account this adjustment to the data for 2022, the reduction in coal consumption at Rank 2 sites stood at 59% in 2023.

| TRANSPORT & LOGISTICS                                                                                                                             |                                                                                     | 2022                                               | 2023                                                            |
|---------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------------------------------------------|-----------------------------------------------------------------|
| TRANSPORT & LOGISTICS                                                                                                                             |                                                                                     |                                                    |                                                                 |
| Breakdown of volumes of finished products transported by means of transport worldwide (from 01/01 to 31/12):                                      |                                                                                     |                                                    | (Note 26)                                                       |
| → % air                                                                                                                                           |                                                                                     | 0.4%                                               | 0.03%                                                           |
| → % rail                                                                                                                                          |                                                                                     | 2.7%                                               | 0%                                                              |
| → % sea                                                                                                                                           |                                                                                     | 88.4%                                              | 89.3%                                                           |
| → % road                                                                                                                                          |                                                                                     | 8.5%                                               | 10.7%                                                           |
| CO <sub>2</sub> emissions by means of international transport worldwide (from 01/01 to 31/12):                                                    |    | 48,764,656 kgCO <sub>2</sub> e                     | 31,191,275 kgCO <sub>2</sub> e<br>(Note 27)                     |
| → CO <sub>2</sub> emissions by air                                                                                                                |                                                                                     | 7,399,462 kgCO <sub>2</sub> e                      | 440,433 kgCO <sub>2</sub> e                                     |
| → CO <sub>2</sub> emissions by rail                                                                                                               |                                                                                     | 2,149,703 kgCO <sub>2</sub> e                      | 0 kgCO <sub>2</sub> e                                           |
| → CO <sub>2</sub> emissions by sea                                                                                                                |                                                                                     | 36,150,082 kgCO <sub>2</sub> e                     | 27,623,602 kgCO <sub>2</sub> e                                  |
| → CO <sub>2</sub> emissions by road                                                                                                               |                                                                                     | 3,065,409 kgCO <sub>2</sub> e                      | 3,127,240 kgCO <sub>2</sub> e                                   |
| CO <sub>2</sub> emissions from the transport of Decathlon products delivered worldwide (from 01/01 to 31/12)                                      |                                                                                     | 168 gCO <sub>2</sub> e/article                     | 111.9 gCO <sub>2</sub> e/article<br>(Note 28)                   |
| → From production countries to key import warehouses                                                                                              |                                                                                     | 29.7 gCO <sub>2</sub> e/article                    | 24.6 gCO <sub>2</sub> e/article                                 |
| → From key import warehouses to distribution platforms                                                                                            |  | 41.7 gCO <sub>2</sub> e/article                    | 29.8 gCO <sub>2</sub> e/article                                 |
| → From distribution platforms to stores                                                                                                           |  | 96.9 gCO <sub>2</sub> e/article                    | 57.5 gCO <sub>2</sub> e/article                                 |
| % of post-shipping multimodal transport in Europe (from 01/01 to 31/12)                                                                           |                                                                                     | 15.6%                                              | 21.3% (Note 29)                                                 |
| CO <sub>2</sub> emissions from post-shipping multimodal transport in Europe (from 01/01 to 31/12)                                                 |                                                                                     | 2,799,759 kgCO <sub>2</sub> e                      | 2,126,788 kgCO <sub>2</sub> e<br>(Note 30)                      |
| → CO <sub>2</sub> emissions by Waterway                                                                                                           |                                                                                     | 92,934 kgCO <sub>2</sub> e                         | 103,628 kgCO <sub>2</sub> e                                     |
| → CO <sub>2</sub> emissions by Rail                                                                                                               |                                                                                     | 316,786 kgCO <sub>2</sub> e                        | 1,517,922 kgCO <sub>2</sub> e                                   |
| → CO <sub>2</sub> emissions by Road                                                                                                               |                                                                                     | 2,390,039 kgCO <sub>2</sub> e                      | 505,238 kgCO <sub>2</sub> e                                     |
| Average load volume per lorry between key import warehouses and distribution platforms in Europe (from 01/01 to 31/12)                            |                                                                                     | 52.3 m <sup>3</sup><br>(13,435 articles per lorry) | 51.5 m <sup>3</sup><br>(13,656 articles per lorry)<br>(Note 31) |
| % of km travelled in Europe from import warehouses to distribution platforms using low-carbon transport (from 01/01 to 31/12)                     |                                                                                     | 25.2%                                              | 24.6%<br>(Note 32)                                              |
| % of km travelled for road transport in Europe from key import warehouses to distribution platforms using low-carbon energy (from 01/01 to 31/12) |                                                                                     | 9.4%                                               | 7.7%<br>(Note 33)                                               |

NFRD 2023 methodological notes

General comment:

In 2023, the CO<sub>2</sub> impact of the transport of finished products was 28.5% lower than in 2022.

Here are the factors that made this performance possible:

- the integration of non-financial performance management by transport management controllers
- the increasingly important integration of coordination indicators on each leg of transport
- the geopolitical, economic and commercial context forced Decathlon to make choices regarding the use of multimodal transport (train) in favour of road transport in order to guarantee delivery times
- coordination of the strategy to reduce air transport also led to a significant reduction in the CO<sub>2</sub> impact associated with this mode of transport (mainly on the international transport leg)
- the partnerships forged with international carriers are helping to transform the indirect purchasing strategy for transport by enabling carriers to invest in new, more sustainable transport solutions (electric, for example)
- and the reduction in the number of products transported

For indicators relating to the breakdown of volumes of finished products and CO<sub>2</sub> emissions by means of international transport, the following are excluded from the scope: OIB products (Other International Brands), components and pre-shipping transport flows (from the supplier to the port of departure), post-shipping transport flows (from the port of arrival to the warehouse) and flows from local production to warehouses in the same customs zone.

The years 2023 and 2022 are comparable because the data for 2022 was recalculated after the collection process was updated (historical data for 2021 and 2022 was recalculated in order to include in the scope containers whose arrival date had not been updated in the Transport Management tool and which could not be recovered to measure the CO<sub>2</sub> impact, and to correct a bug in the calculation of the CO<sub>2</sub> impact, which led to duplicate emissions and tonnage).

**Note 26:** Air: In 2023, Decathlon increased the robustness of its strategy to reduce international air transport. Indeed, since 2023, the various players in the supply chain have been guided on performance indicators (CO<sub>2</sub> budget for air transport, avoidable air transport) and a process for validating the use of international air transport has been introduced, making it possible to combine trade-related needs with sustainable development considerations. The target of 0.29% for this indicator is well within reach, with 0.03% of finished products transported by air. In 2024, Decathlon wants to go even further, by reducing this share of the volume of finished products by air to 0.24%, while broadening the calculation base to include OIBs (other international brands) and components. In 2024, the air transport strategy will take account of Decathlon's objectives, which are to significantly reduce the lifespan of its stocks while offering a high availability rate.

Rail and sea: In the context of the Ukrainian conflict, it was not possible to use rail transport internationally in 2023. This mode of transport was replaced by sea transport.

Road: As part of its strategy to reduce supply lead times, Decathlon made choices which led to greater use of road transport, particularly in Turkey and Africa, to the detriment of sea transport.

**Note 27:** Air: With total air transport emissions of 440.4 tonnes CO<sub>2</sub>e, the target of 5,700 tonnes CO<sub>2</sub>e was reached in 2023. The target is set at 4,500 tonnes CO<sub>2</sub>e by 2024, extending the scope to other products (OIBs, components, etc.). Note that air transport involved a high proportion of heavy products (mainly repair and after-sales products) and that two major air shipments to the United States were organised. In 2024, Decathlon wants to go even further, lowering the 2023 target and including other products transported by air in the scope of the calculation.

Rail and sea: In the context of the Ukrainian conflict, it was not possible to use rail transport internationally in 2023. This mode of transport was replaced by sea transport. In order to contribute to the Group's objective of reducing its absolute CO<sub>2</sub> emissions by 20% by 2026 on the basis of emissions measured in 2021, the use of biofuel for sea transport was favoured at the beginning of the year, before being stopped for financial reasons.

Road: As part of its strategy to reduce supply lead times, Decathlon made choices which led to greater use of road transport, particularly in Turkey and Africa, to the detriment of sea transport.

**Note 28:** The 2022 values for the indicators "CO<sub>2</sub> emissions from the transport of Decathlon products delivered worldwide" and "from production countries to key import warehouses" have been updated in the 2023 NFRD following the automated data collection process.

However, the 2023 and 2022 data are not comparable for the "key import warehouses to distribution platforms" leg due to changes in the calculation methodology, but also on the "distribution platforms to stores" leg, for which the French data is not taken into account in the 2023 calculation.

In 2023, the target for this indicator was 185 gCO<sub>2</sub>e/article and was therefore achieved with a result of 182 gCO<sub>2</sub>e/article. The target for 2024 is 126 gCO<sub>2</sub>e/article.

Concerning CO<sub>2</sub> emissions linked to the transport of major import products "from production countries to warehouses", the target remains the same as in 2023, due to Decathlon's ambitions regarding the supply of products (reduction in the lifespan of stocks and increase in the availability of products in stores and online).

The results presented in 2023 for flows from key import warehouses to distribution platforms are not comparable with the 2022 results, due to the integration of certain flows (reverse flows from regional supply centres to continental supply centres).

Finally, on the CO<sub>2</sub> emissions "from distribution platforms to stores", 89.68% of the data is actual data. In addition, despite strong demand for product availability in stores and a reduction in the number of items shipped, optimising loading has been more complex this year, impacting on the CO<sub>2</sub> intensity of this leg of transport.

**Note 29:** Post-shipping multimodal transport concerns only two countries in Europe where warehouses are located: Spain and France. In 2023, the performance of this indicator improved (+5.7 points) and the target of 16% set by Decathlon was achieved. Compared with 2022, the number of containers passing by barge from the ports of Antwerp and Rotterdam to the three sites in the north of France (Evin, Lille and Rouvignies) has increased considerably, following the resumption of activity at the Bruay arrival port on the way to Rouvignies. The desire to favour long-distance transport from the port of Rotterdam over transport from the port of Dunkirk has contributed to the increase in the proportion of post-shipping multimodal transport.

For 2024, Decathlon aims to continue its efforts by further increasing the proportion of post-shipping multimodal transport in Europe (target 16.9%).

**Note 30:** The 2022 data is not comparable with the 2023 data due to the updating of an emission factor.

For France, the European distribution centres included in the calculation of this indicator are: Lille, Evin, Rouvignies, Satolas, Saint-Martin de Crau, and for Spain: Barcelona, Zaragoza.

**Note 31:** Cubic volume

The initial target of 51.4 m<sup>3</sup>/lorry by 2023 was revised downwards to 51.22 m<sup>3</sup>/lorry, mainly because of the increase in the proportion of bulky items per lorry. However, weekly coordination for transport managers on the average fill volume per lorry between the key import warehouses and the distribution warehouses in Europe, together with the adaptation of supply patterns to the economic context, made it possible to optimise lorry loading and achieve a result of 55.52 m<sup>3</sup>/lorry. However, the 2024 target for cubic volume will be less ambitious (51.11 m<sup>3</sup>/lorry) due to the transformation of the CACs (Continental Supply Centres) and the mechanisation of the Evin and Satolas sites in France.

Number of articles per lorry

In 2023, the proportion of bulky items was higher than expected, and this had an impact on the number of articles transported by lorry, for which the 2023 target was 14,307 (compared with 13,656 actually achieved). The target for 2024 is an average of 15,785 articles per lorry.

**Note 32:** The commitment to low-carbon energy kilometres travelled was difficult to achieve in 2023 because of fluctuating volumes on Decathlon's transport lines, due to the separation of supply basins. To speed up delivery times, Decathlon has had to shift volumes of products from rail to road. In addition, a train service initially planned between the Dourges "Delta 3" platform (France) and Poland was not launched.

In 2024, the company's strategy will focus on reducing the stock lifespan and developing e-commerce activities, which will require optimised delivery times. To achieve this, multimodal solutions have been scaled back in order to provide faster solutions. By the end of 2024, the aim is to achieve 27.9% of the kilometres travelled in Europe from key import warehouses to distribution platforms using low-carbon means of transport.

**Note 33:** The use of biofuels (HVO and B100) has been increasing since the end of 2022: the use of rapeseed has risen by 1.8 points in the transport energy mix.

In the years to come, this indicator will tend to become more important in the energy mix for traction (warehouse to warehouse). With the separation of basins and the disappearance of corridors conducive to the use of multimodal transport, the energy mix will be strengthened by low-carbon solutions on the road, in particular with: biofuels, electricity and hydrogen. In addition, a power line will be installed in France from March 2024, between the Evin CAC (Continental Supply Centre).and the Lompret CAR (Regional Supply Centre).

| ENERGY MANAGEMENT                                                                                                       | 2022                                                                                     | 2023                      |
|-------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------|---------------------------|
| ENERGY CONSUMPTION                                                                                                      |                                                                                          |                           |
| Overall energy consumption by energy type at sites (Decathlon stores, Brand sites and warehouses) (from 01/01 to 31/12) | 775,292,918 kWh                                                                          | 687,171,494 kWh (Note 34) |
| → Electricity consumption                                                                                               | 702,325,244 kWh                                                                          | 614,273,769 kWh (Note 34) |
| → Gas consumption                                                                                                       | 72,967,674 kWh                                                                           | 60,986,686 kWh (Note 35)  |
| → Hot water consumption                                                                                                 | n/a                                                                                      | 11,911,039 kWh (Note 36)  |
| Consumption of electricity from renewable sources (from 01/01 to 31/12)                                                 | 595,697,046 kWh                                                                          | 534,740,052 kWh           |
| → Consumption of purchased renewable electricity                                                                        | n/a                                                                                      | 516,380,896 kWh           |
| → Consumption of renewable electricity generated on site                                                                | n/a                                                                                      | 18,359,156 kWh            |
| Share of electricity consumed from renewable sources (from 01/01 to 31/12)                                              | 84.8%                                                                                    | 87.1% (Note 37)           |
| ENERGY INTENSITY                                                                                                        |                                                                                          |                           |
| Energy efficiency in stores (from 01/01 to 31/12)                                                                       | <div><div><div>VERIFIED INFORMATION</div><div>mazarsAudit</div></div></div> 108.7 kWh/m² | 106.4 kWh/m² (Note 38)    |
| Energy efficiency in warehouses (from 01/01 to 31/12)                                                                   | <div><div><div>VERIFIED INFORMATION</div><div>mazarsAudit</div></div></div> 65.2 kWh/m²  | 48.8 kWh/m² (Note 38)     |
| Energy intensity (from 01/01 to 31/12)                                                                                  | n/a                                                                                      | 44 Wh/€ (Note 39)         |

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**Note 34:** The data shows a reduction in total energy consumption between 2022 and 2023. This was partly due to the completion of the closure of all sites in Russia, certain energy efficiency and sobriety efforts carried out in particular in some of the largest energy-consuming countries in Europe, as well as store closures in Mainland China in line with Decathlon's local repositioning strategy. However, on closer examination, it transpired that due to problems with the energy consumption data for the warehouses, the data for total energy consumption in 2022 was higher than it should have been. Manual and estimation errors were detected, which could explain part of the reduction shown in the table. Decathlon has taken steps to improve the reliability of energy data by strengthening internal quality assurance and quality control processes.

**Note 35:** Gas consumption fell significantly in 2023 due to the closure of all sites in Russia, but also thanks to efforts to gradually reduce gas consumption in most gas-consuming European countries (including France, Poland, Italy and the United Kingdom), combined with sobriety measures to reduce heating.

**Note 36:** In some European countries, hot water is purchased. This energy source was not included in the NFRD reports on energy consumption in previous years. Although the consumption of purchased hot water should remain negligible in the future, it was decided to include it for the sake of completeness.

**Note 37:** Many countries have succeeded in increasing the share of renewable electricity due to a strong determination to decarbonise their electricity consumption. The list of new countries/regions that have managed to cover all or part of their electricity from renewable sources includes Malaysia, Slovenia, Serbia, Australia, Egypt, Ireland and Taiwan (resumption of renewable energy consumption in 2023 after a temporary interruption in 2022).

The aim is to achieve 100% renewable electricity by 2026 on all Decathlon-owned sites (purchase and direct production), using options recognised by the RE100 initiative. Priority is given to the installation of photovoltaic panels on all sites where this is technically possible, to off-site projects by obtaining Power Purchase Agreements and finally to green energy supply contracts or unbundled green energy certificates.

From 2023, the supply of renewable electricity will be distributed as follows:

- 3.4% for on-site photovoltaic panels (a figure that has risen thanks to regional tenders for on-site electricity purchases in Europe and Asia, as well as local initiatives). With the deployment of photovoltaic panels underway, the proportion of renewable electricity on site should increase in the coming years
- and 96.6% for purchases via green energy supply contracts and unbundled green energy certificates

As regards on-site photovoltaic installations, a call for tenders was launched in Europe in 2022 and resulted in the signature of a memorandum of understanding for 74 sites in 7 countries. Deployment began in 2023 (Germany (6), Belgium (1), Spain (7), Italy (15)) and will continue over the next few years. There are also 16 additional contracts covering 10 countries (Malaysia (1), the Philippines (1), Spain (5), Mainland China (1), Romania (3), Colombia (1), France (1), Latvia (1), Australia (1) and Thailand (1)), and 3 additional letters of intent signed in 2023 with local partners for potential deployment of on-site PPAs (the UK (2), Taiwan (3), Poland (15)) from 2024.

With regard to off-site PPAs, preparatory work has been carried out internally prior to the launch, scheduled for 2024, of a call for tenders for off-site PPAs including European countries. A number of off-site PPAs have been signed in Europe (France, Belgium and Poland), and other countries are looking at opportunities, particularly in Asia and Latin America.

The recruitment of a Group-wide energy manager in 2023 is expected to accelerate the company's approach to renewable energy sourcing and explore the optimisation of the company's procurement, including the capture of off-site PPA solutions on an international scale.

**Note 38:** - Stores: In 2023, energy efficiency performance remained stable for stores. This is despite efficiency measures such as the installation of LEDs, the deployment of energy management systems, building certification initiatives and sobriety plans (in particular the reduction of heating) introduced in 2022. However, the benefits of these measures can be weighed against other factors that have an impact on energy consumption, such as hot summers leading to increased cooling requirements and digital growth.

- Warehouses: It should be noted that the data suggests a substantial improvement in the energy efficiency of warehouses between 2022 and 2023, which is largely explained by the issues with the 2022 data identified after the publication of the 2022 NFRD report, as explained above. In fact, energy efficiency in both warehouses and stores has remained relatively stable. Although sobriety measures have helped to improve the energy efficiency of warehouses, mechanisation continued in 2023 and contributed to the increase in energy consumption.

**Note 39:** This indicator is reported for the first time this year, hence the absence of data in 2022. It enables Decathlon to fine-tune its energy management by relating its energy consumption to its sales.

| ENVIRONMENTAL CERTIFICATION OF STORES AND WAREHOUSES                                                     | 2022  | 2023          |
|----------------------------------------------------------------------------------------------------------|-------|---------------|
| INTERNATIONAL BUILDING CERTIFICATION                                                                     |       |               |
| Number of Decathlon stores with environmental certification (as of 31/12)                                | 113   | 217 (Note 40) |
| Number of Decathlon stores opened during the year with environmental certification (from 01/01 to 31/12) | 13    | 122           |
| % of sales areas in company-owned stores with environmental certification (as of 31/12)                  | 22.8% | 48.4%         |
| Number of Decathlon warehouses with environmental certification (as of 31/12)                            | 13    | 14 (Note 40)  |

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**Note 40:** In terms of environmental certification, the objective is to certify all Decathlon-owned sites by 2026.

In 2022, an internal incentive mechanism was developed by Decathlon's central teams with the aim of accelerating environmental certification by 2026. The principle is to reimburse part of the costs incurred by local teams in obtaining environmental certification. This mechanism concerns company-owned sites and aims to obtain Edge level 1 certification (certification created by the World Bank, focused on the operational efficiency pillars and using software that allows the most efficient green actions by country and project type to be decided upstream).

In addition to this scheme, and in order to accelerate the number of sites certified compared with 2022, Decathlon signed a contract with SGS/Sintali (international Edge certification bodies), which enabled 101 Decathlon-owned stores to receive Edge certification. By the end of 2023, if the leased sites and other environmental labels are also included, 122 stores that opened in 2023 received environmental certification.

A total of 231 sites were awarded environmental certification in 2023 (217 stores and 14 warehouses).

|                                                                                                                                              |      |                |
|----------------------------------------------------------------------------------------------------------------------------------------------|------|----------------|
| Number of Decathlon sites (stores, warehouses) that have undergone a Biodiversity Diagnosis (as of 31/12)                                    | 26   | 30 (Note 41)   |
| % of new French company-owned stores with the "Signature Biodiversité" label (as of 31/12)                                                   | 0%   | 0 (Note 42)    |
| % of the French real estate portfolio having undergone continuous improvement in biodiversity ("Signature Biodiversité" label) (as of 31/12) | 1.6% | 4.7% (Note 43) |

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**Note 41:** The certification used is the "Signature Biodiversité" label.

**Note 42:** The indicator relates to the number of projects that include a non-built-up land area (for permits submitted from 01/01/2023).

The result is zero in 2023, as there were no new company-owned projects.

**Note 43:** By the end of 2022, seven French sites had undergone an Environmental Performance Diagnostic (DPE): Saint Malo, Hénin Beaumont, Haguenau, Lorient, Vannes, Tarbes and Dunkirk. Seven new sites were added by the end of 2023: Barentin, Cormontreuil, Lannion, Limoges, Quetigny, Rennes Breton and Saint-Brieuc. These 14 sites represent 4.7% of Decathlon's French real estate portfolio that has integrated the "Signature Biodiversité" approach (including 3.2% of complete renaturation and 1.5% of improvement actions).

Decathlon's ambition is to reach 10% of its French real estate portfolio incorporating the "Signature Biodiversité" approach by 2024.

| ECOMOBILITY                                                                                                                                                                                                                                                                                                                                                                                                                      | 2022   | 2023             |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------|------------------|
| ECOMOBILITY OF TEAMMATES                                                                                                                                                                                                                                                                                                                                                                                                         |        |                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                  |        |                  |
| % of kilometres travelled by customers to go to Decathlon stores using active mobility or ecomobility (from 01/01 to 31/12)                                                                                                                                                                                                                                                                                                      | 17%    | 21% (Note 44)    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                  |        |                  |
| % of kilometres travelled by teammates during their work commutes using active mobility or ecomobility (from 01/01 to 31/12)                                                                                                                                                                                                                                                                                                     | 34%    | 40% (Note 44)    |
|                                                                                                                                                                                                                                                                                                                                                                                                                                  |        |                  |
| NFRD 2023 methodological notes                                                                                                                                                                                                                                                                                                                                                                                                   |        |                  |
| Note 44: An error linked to the software used to calculate the percentage of kilometres travelled by teammates was detected on the 2022 value and has been updated for this edition.                                                                                                                                                                                                                                             |        |                  |
| The objective for 2026 is to reach 30% of kilometres travelled by customers to go to Decathlon stores using ecomobility (17% in 2022 and 21% in 2023), and 40% for teammates going to their workplace. With regard to the percentage of kilometres travelled by teammates, the teams are working on the development of a new, more ambitious target in the light of the results obtained in 2023.                                |        |                  |
| Note that active mobility for Decathlon refers to means of transport that use human energy without assistance, with the exception of electric assistance. Ecomobility or soft mobility for Decathlon refers to means of transport emitting less than 0.10 kg of CO <sub>2</sub> per kilometre, as well as buses and electric cars. Thermal cars and motorbikes are not included in the share of transport linked to ecomobility. |        |                  |
| AWARENESS-RAISING ACTIONS                                                                                                                                                                                                                                                                                                                                                                                                        | 2022   | 2023             |
| SUSTAINABLE DEVELOPMENT AWARENESS ACTIONS                                                                                                                                                                                                                                                                                                                                                                                        |        |                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                  |        |                  |
| Total number of sports activities organised in France for our user-customers (from 01/01 to 31/12)                                                                                                                                                                                                                                                                                                                               | 5,300  | 6,374 (Note 45)  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                  |        |                  |
| Number of stores involved in these sports activities in France (from 01/01 to 31/12)                                                                                                                                                                                                                                                                                                                                             | 207    | 201              |
|                                                                                                                                                                                                                                                                                                                                                                                                                                  |        |                  |
| Number of events related to sustainable development organised by French stores (from 01/01 to 31/12)                                                                                                                                                                                                                                                                                                                             | 150    | 91               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                  |        |                  |
| Number of awareness-raising actions related to sustainable development worldwide (from 01/01 to 31/12):                                                                                                                                                                                                                                                                                                                          | 1,453  | 1,420 (Note 46)  |
| → organised by Decathlon stores                                                                                                                                                                                                                                                                                                                                                                                                  | 1,404  | 1,391            |
| → organised by Decathlon warehouses                                                                                                                                                                                                                                                                                                                                                                                              | 27     | 14               |
| → oorganised by production offices and central services                                                                                                                                                                                                                                                                                                                                                                          | 22     | 15               |
|                                                                                                                                                                                                                                                                                                                                                                                                                                  |        |                  |
| Number of awareness-raising actions related to sustainable development worldwide (from 01/01 to 31/12):                                                                                                                                                                                                                                                                                                                          | 1,453  | 1,420            |
| → related to ecomobility                                                                                                                                                                                                                                                                                                                                                                                                         | 320    | 218 (Note 47)    |
| → related to waste and environmental pollution                                                                                                                                                                                                                                                                                                                                                                                   | 1,133  | 1,202            |
|                                                                                                                                                                                                                                                                                                                                                                                                                                  |        |                  |
| Number of people involved in events related to sustainable development worldwide (Decathlon warehouses, production and stores) (from 1/01 to 31/12)                                                                                                                                                                                                                                                                              | 44,928 | 95,287 (Note 48) |
|                                                                                                                                                                                                                                                                                                                                                                                                                                  |        |                  |
| % of sites that organised at least one awareness-raising event during the year (from 01/01 to 31/12)                                                                                                                                                                                                                                                                                                                             | 48.9%  | 47.5% (Note 49)  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                  |        |                  |
| RAISING EMPLOYEE AWARENESS OF THE CLIMATE ISSUE                                                                                                                                                                                                                                                                                                                                                                                  |        |                  |
|                                                                                                                                                                                                                                                                                                                                                                                                                                  |        |                  |
| Number of employees made aware of the causes and consequences of climate change (from 01/01 to 31/12)                                                                                                                                                                                                                                                                                                                            | 7,596  | 9,756 (Note 50)  |

**NFRD 2023 methodological notes**

**Note 45:** 2023 was an opportunity for Decathlon to confirm its commitment to promoting sport despite a complex economic and geopolitical context. The in-store teams were able to find the resources to continue and develop their actions locally: 201 of the brand's stores and sites organised 6,271 events (excluding Vitalsport) over the year, representing an increase of 18.3% events compared with 2022, and brought together 61,207 participants. Of these events, 91 (-39%) involved actions linked to sustainable development and were organised by 75 Decathlon stores, warehouses or services (-10.7%). Despite these lower figures, participation rose by 10.6%, with 6,094 people taking part in the various events organised by Decathlon teams. During these events, 7,203 tonnes of rubbish were collected, as well as 124,611 cigarette butts.

In 2023, Decathlon mobilised 103 stores to organise the 28<sup>th</sup> Vitalsport. This event, exclusive to the brand and designed to promote the practice of sport, brought together 2,321 partner associations and sports clubs, and the teams welcomed 321,285 visitors. The public turned out in force for this year, with an increase in the average number of visitors per site.

In conclusion, 2023 will remain a year during which the impact of store actions increased, with greater participation in relation to the number of events organised.

**Note 46:** 48 countries/regions organised awareness-raising events in Decathlon stores or warehouses, either with internal employees or with external customers. There were six kinds of events in 2023: Clean Up Days (these took place throughout the year and include Ocean Day on 08/06/2023), World Clean Up Day (16 September 2023), Mobility Week (16-22 September 2023), mobility events (throughout the year), tree planting and collection of used sports equipment for recycling.

9 countries/regions organised awareness-raising actions from their warehouses: Brazil (1), Canada (1), Chile (1), Colombia (2), India (2), Spain (2), the United States (1), the Netherlands (3), the United Kingdom (1). And 6 countries/regions from their production offices and central services: Colombia (5), Italy (2), the Netherlands (3), Romania (1), the United Kingdom (1), Tunisia (3).

**Note 47:**

- 218 ecomobility events took place in 2023 during the year and during Mobility Week from 16 to 22 September: Germany (54), Chile (8), Colombia (3), South Korea (4), Spain (25), France (4), Italy (56), the Netherlands (25), the Philippines (2), Poland (1), Portugal (3), the United Kingdom (14), Serbia (3), Slovakia (5), Slovenia (4), Switzerland (2), Thailand (1), Tunisia (4).
- 1,202 events related to waste and environmental pollution took place in 2023, with 95,287 participants: Clean Up Days (523), collection operations (193), Earth hour (36), Ocean Day (1), tree planting (33) and World Clean Up Day (416).

**Note 48:** The indicator includes all participants declared in the monitoring tool as having attended the event. Participants in collection operations and Earth Day participants are not included because it was impossible to retrieve any data. In addition, some sites did not report this information, as the main indicator of the activities is currently the number of sites and not the number of participants.

**Note 49:** The number of sites taken into account as of 31/12/2023 for the calculation of this indicator is 1,863 (72 warehouses + 42 production offices + 1,749 Decathlon stores), and at least 884 of them have organised an awareness-raising action.

By 2026, 100% of sites will have to organise at least one event a year.

**Note 50:** Since January 2021, 17,385 teammates have been made aware of the causes and consequences of climate change by taking part in the Axa Climate Fresk or The Week. 234 teammates gave at least one training course in 2023.

The 2022 figures have been updated to include the number of people who took part in The Week.

| ENVIRONMENTAL LABELLING                                                                                | 2022   | 2023          |
|--------------------------------------------------------------------------------------------------------|--------|---------------|
| COMMUNICATION ABOUT OUR PRODUCTS                                                                       |        |               |
|                                                                                                        |        |               |
| % of Decathlon footwear and textile products that display their carbon footprint (from 01/01 to 31/12) | 60.34% | n/a (Note 51) |

**NFRD 2023 methodological notes**

**Note 51:** The data as of 31/12/2023 is temporarily unavailable for several reasons:

- An IT problem has been underway since December 2023, preventing Decathlon from viewing the environmental labelling section on its product pages. As a result, it is impossible to extract the number of product pages on which the carbon footprint is displayed as of 31 December 2023;
- In addition, the database used to calculate the environmental assessment was updated in 2023, to bring it into line with the development of European standards for the PEF (Product Environmental Footprint) method. The new calculation of the carbon footprint of Decathlon products required all the data to be sent back from the design tools to the customer display. These massive data transfers take time, as environmental data passes through several digital tools before being made available to customers.

However, Decathlon's objectives are to continue implementing environmental labelling for all textile and footwear products and to reinstate environmental labelling on the product pages of the website in 2024, with the aim of achieving 100% of Decathlon's textile and footwear products having a carbon footprint labelling by 2026.

# 2.2

## POLLUTION AND USE OF WATER RESOURCES

PERFORMANCE INDICATORS



# POLLUTION AND USE OF WATER RESOURCES

## Fighting pollution and reducing water consumption



Since the start of 2022, two more planetary boundaries<sup>1</sup> have been exceeded: global chemical pollution (microplastics, solvents, etc.) and the freshwater cycle<sup>2</sup>.

Given this alarming observation, Decathlon continues to help its suppliers implement practices that will have less of an impact on the environment by working on resource use and the industrial pollution of water, soil and air. In its own activities, the company is also working to reduce its use of plastics and has committed to **using zero single-use plastics in its packaging by 2026<sup>3</sup>**.

### 2023 HIGHLIGHTS

**86.7% of concerned sites for Rank 1 and Rank 2 suppliers were rated A, B or C** for their environmental management at the end of 2023, up 4% over 2022.

**Decathlon reached maturity level 2** under the Zero Discharge of Hazardous Chemicals Foundation classification<sup>4</sup> (three levels) **for its own chemical risk management.**

**Decathlon continued modelling work** to define a trajectory allowing it to reduce its plastic footprint so that it can keep its activities within planetary boundaries.

**At the same time, the company also worked on reducing its use of single-use plastics** by either phasing them out of packaging or recycling them.

**Decathlon added new questions to its environmental audit grid** in order to improve its water management in production.

## Conducting environmental audits in production

### THE CODE OF CONDUCT AND THE ENVIRONMENTAL AUDIT GRID

Decathlon's minimum environmental requirements and ambitions are set out in the company's Code of conduct<sup>5</sup>. Its application is verified by the regular presence of Decathlon's local production teams on the ground and by an internal and external audit system based on a regularly updated grid.

➔ **More information on the purchasing strategy, the audit system, the compliance framework and production skills on p.206.**

KEY FIGURES as of 31/12/2023

**264**  
production sites  
for Rank 1 and Rank 2  
suppliers<sup>6</sup> underwent  
environmental audits  
271 in 2022

**86.7%**  
of concerned sites  
for Rank 1 and Rank 2  
suppliers were rated  
**A, B or C for environmental  
management**  
83.4% in 2022

The company is using its audit grid to verify five main areas:

- 1. Environmental risk governance:** Suppliers must put in place a robust governance system that enables the effective management of environmental risks. This system assesses management organisation, environmental policies, continuous improvement strategies and the supplier's ability to detect and mitigate their risks through regular self-assessments and the implementation of corrective action plans
- 2. On-site industrial wastewater treatment:** Discharged industrial wastewater must comply with Decathlon's requirements and local regulations. If there is a discrepancy between local standards and Decathlon's specifications, the company applies the stricter rule. Decathlon also requires precise monitoring of the water quantities used, as well as water management at the production facilities
- 3. Hazardous waste management** (chemical, bio-chemical, electrical or from production): Hazardous waste must be stored in specific areas, protected from weather events (rain and sun), and pose no risk of a leak reaching groundwater, the main source of drinking water. Decathlon requires precise monitoring of the quantities of hazardous waste that enter the factory and that are generated by the supplier
- 4. Air pollution:** The release of fine particles, harmful gases (NO<sub>x</sub>, et SO<sub>x</sub>) and other types of gaseous pollutants into the atmosphere must be limited and suitable filtration systems must be installed in the factories. To clarify its requirements, Decathlon published a guide in 2021 establishing the maximum recommended release level according to the energy sources used (coal, biomass, refined oil and gas)
- 5. Energy management:** CO<sub>2</sub> emissions must be measured on scopes 1 & 2, and long-term strategies must be put in place to align emission reduction trajectories with science and with the worldwide goal of limiting global warming to 1.5°C

These topics are evaluated in audits to reflect a situation at a given time, which makes it possible to identify short, medium and long-term improvements at the production site. **Decathlon requires its suppliers to obtain a minimum score of C (on a scale from A to E).** If they are assigned a D, the supplier has a period of six months to a year to take corrective action and make improvements.

If they receive an E score related to an immediate risk of environmental pollution, actions are instantly implemented and can include immediate suspension of production until the identified problem is resolved. Once the direct risk has been eliminated, the supplier is expected to set up a preventive action plan within three months to guarantee a lasting resolution.

In 2023, teams worked with a network of internal auditors and referents to **update the existing audit system. When it is implemented in 2024, it will incorporate criteria that meet the standards of the Roadmap to Zero programme established by the Zero Discharge of Hazardous Chemicals (ZDHC) Foundation.** So, Decathlon is asking its suppliers to commit to performance indicators that are commonly used in the industry to facilitate reporting and better control its environmental impact.

1. Planetary boundaries are the major processes that condition and regulate life on Earth. They identify thresholds that should not be exceeded at the risk of snowball effects. For more information: Stockholm Resilience Center, [Planetary boundaries](#) and CERDD (Resource Centre for Sustainable Development), "[Les limites planétaires, un socle pour repenser nos modèles de société](#)", 2021.

2. Science Advances, "Earth beyond six of nine planetary boundaries," 13 September 2023, <https://www.science.org/doi/10.1126/sciadv.adh2458>.

3. Excluding nutrition, chemicals and cosmetics, products requiring protection to preserve their technical nature and products subject to legal constraints.

4. For more information on the Zero Discharge of Hazardous Chemicals Foundation: <https://www.roadmaptozero.com/>.

5. Decathlon's Code of conduct is available at: <https://sustainability.decathlon.com/legal-documents>.

6. See the definition of concerned sites on p.84.

CONCERNED SITES

To identify production sites concerned by environmental audits, Decathlon has chosen an indicator based on the quantity of wastewater generated per day and per site. **Until 31 December 2023, concerned sites were those generating more than 50 m³ of industrial wastewater.** To better control environmental risks in production, Decathlon will align its audit system with ZDHC standards in 2024 and then evaluate sites generating more than 15 m³ of industrial wastewater. High water use goes hand in hand with high chemical consumption, which poses a risk of direct pollution and endangers the health of local populations. This use also requires greater energy resources with the potential emission of pollutants. Today, the countries with the most sites concerned by environmental management are Mainland China, Vietnam, India, Bangladesh, Turkey, Taiwan and Sri Lanka

→ SUPPLIER PANEL  
PERFORMANCE IN 2023

In 2023, **86.7% of concerned sites for Rank 1 and Rank 2 suppliers were rated A, B or C** on Decathlon's audit grid (83.4% in 2022).

In 2023, the company continued making improvements in aligning itself with its commitment to ensure that 90% of concerned sites for Rank 1 and Rank 2 suppliers are rated A, B or C by 2026. This progress can be explained by:

- **strong motivation of production teammates** to maintain ties with suppliers and guide them towards production practices that have less of an impact on the environment
- **137 audits** (142 in 2022) **and the establishment of 41 corrective action plans** at production sites rated D and E
- **a growing number of internal auditors** (26 vs 24 in 2022) and more teammates trained in auditor validation to achieve greater autonomy, and the ability to take corrective action more quickly

Setting up the ZDHC approach to limit chemical risk

**KEY FIGURE** as of 31/12/2023  
**86%**  
**of the Decathlon brand product samples that were tested complied**  
**85.8% in 2022**

To harmonise its procedures and establish best practices to manage chemical risk in its value chain, **Decathlon signed the ZDHC (Zero Discharge of Hazardous Chemicals) Foundation initiative in 2022.** This organisation supports the collective commitment of signatory brands and their suppliers through the application of the Roadmap to Zero programme and production standards, to reach its objective of **zero discharge of hazardous chemicals.**

Each year, an external auditing firm evaluates the progress made by each signatory through analysing performance indicators established by ZDHC. Then, based on the results of the report, the companies are ranked into **three maturity levels**<sup>7</sup> :

- **Level 1** for which companies demonstrate their knowledge of ZDHC sustainable chemical management and how to implement ZDHC Solutions in their decision-making for more sustainable chemical management

- **Level 2** for which companies must demonstrate continuous improvement and their successful implementation of ZDHC tools in their value chain
- **Level 3** equips companies to position themselves as leaders in combating the use of hazardous chemicals

**Decathlon reached level 2 of this classification in 2023, one year ahead of its initial goal.** This is a reflection of the work carried out by the company over the past five years to align itself with ZDHC's vision, notably through its use of the Restricted List of Chemicals (RLC). Decathlon aims to reach the top level of excellence offered by ZDHC by 2026.

In 2023, Decathlon teams also worked hard to **get as many concerned suppliers as possible<sup>8</sup> involved in the ZDHC approach.** So, 317 Rank 1 and Rank 2 production sites began working toward aligning themselves with Roadmap to Zero standards (78%). These production sites connected to the foundation's platform (ZDHC Gateway) to share their data, reflecting the growing importance attached to the programme by Decathlon's supplier network (+30 points compared with 2022).

Results of the Roadmap to Zero programme integration as of 31 December 2023:

- 47% of component production sites reported their chemical stocks (34% in 2022)
- 27% of production sites participated in the chemical risk management training programme (18.6% in 2022)
- 74% of concerned production sites<sup>9</sup> reported their industrial wastewater quality results (26% in 2022)

7. For more information on ZDHC's three maturity levels: <https://knowledge-base.roadmaptozero.com/hc/en-gb/articles/9455338372509-What-Supplier-to-Zero-levels-are-available>.

8. Suppliers concerned by ZDHC criteria belong to the textile, leather, clothing and footwear sectors.

9. All sites generating more than 15 m³ of wastewater per day are concerned. Among sites generating less than 15 m³ of wastewater, only those discharging wastewater directly into the environment are concerned.

Fighting plastic pollution

**KEY FIGURE** as of 31/12/2023

**1,548**  
**tonnes of single-use plastic packaging were eliminated and/or avoided for Decathlon products**  
**1,319 tonnes in 2022**

MEASURING AND REDUCING  
DECATHLON'S IMPACT

Constructing a reduction trajectory

Decathlon is conducting research and modelling work to ultimately reduce the potential for the release of plastics generated by its activities. In 2023, its teams developed a dynamic dashboard to make a fresh assessment of the company's footprint in terms of plastic pollution at the Group level, as well as for the countries, sports and industrial processes. This tool was developed with Environmental Action<sup>10</sup> using the Plastic Leak Project<sup>11</sup> and Plastic Footprint Network methodologies<sup>12</sup>, and aims to improve data reliability and automate its reporting.

Teams are using this new study to create a **reduction trajectory** that aims to keep the company's activities within planetary boundaries. To this end, they have already identified levers to be activated:

- **Strengthening circular business models** (second life, rental, repair)
- **Replacing single-use plastics** with alternatives having less of an impact
- **Recycling sports equipment at the end of its life, and managing waste**

Through these studies, **Decathlon also aims to help create an international standard** that will ultimately include plastic-use reduction objectives in a legal framework applying to all industry players.

Advancing research on plastic fibre fragmentation

Teammates who are members of the Textile Microplastic Leak project<sup>13</sup> are also continuing their work on microplastics following the impact analyses performed<sup>14</sup> in 2021.

Since 2022, **all of the technical parameters of fabrics (thread, material, structure, etc.) have been analysed in-depth** by a researcher preparing a doctoral thesis. By the end of 2025, the goal is to create a **design support tool** to identify materials that minimise the release of plastic fibre fragments as far as possible. The results of this research will be used to draft a precise and rigorous trajectory as part of the commitment signed with the Microfibre Consortium to work toward a zero impact of textile fibre fragmentation on the natural environment by 2030<sup>15</sup>.

Reflecting the growing importance of the subject, ADEME<sup>16</sup> awarded the project a **€100,000 grant** in 2023, ensuring **Decathlon will be able to continue driving research in microplastic fragmentation. The company also joined the Plastic Footprint Network this year** in order to contribute to discussions on adding this issue to the product environmental rating system.



10. For more information on Environmental Action: <https://www.e-a.earth/>.

11. For more information on the Plastic Leak Project: <https://quantis.com/who-we-guide/our-impact/sustainability-initiatives/plastic-leak-project/>.

12. For more information on the Plastic Footprint Network and its methodology: <https://www.plasticfootprint.earth/assessment-methodology/>.

13. Textile Microplastic Leak: release of microplastics from textiles.

14. For more information on these analyses, see NFRD 2021, "Comparing fabrics to reduce the release of microplastics" on p.97.

15. For more information on the Microfibre Consortium roadmap: <https://www.microfibreconsortium.com/roadmap>.

16. For more information on ADEME: <https://www.ademe.fr/en/frontpage/>.

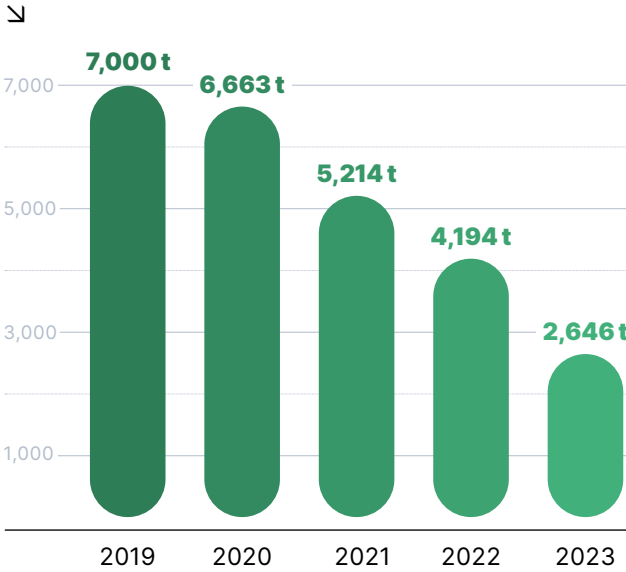
MOVING TOWARD ELIMINATING  
SINGLE-USE PLASTICS

Decathlon's teams have defined an environmental strategy that includes every stage of the packaging life cycle. The company aims to reduce the impact of packaging through a continuous improvement process, aiming to reach **95% of packaging FSC- and PEFC-certified by 2025 and zero single-use plastic<sup>17</sup> by 2026**. This strategy has three main focuses:

- **Eliminating** plastic component, with no replacement
- **Redesigning and replacing** plastic components with eco-designed materials
- Working on **circularity** to move from single use to multiple use

Reducing the impact  
of finished product packaging

Estimated quantities  
of plastic still used for  
Decathlon product packaging  
(based on 2019 quantities)



In 2020, Decathlon estimated that **7,000 tonnes of plastic packaging were required to pack its products in 2019**. In order to obtain up-to-date data on the quantities it uses, in 2023 the company began re-evaluating the packaging that still had to be removed for it to reach its goal of zero single-use plastics. To assess these quantities as accurately as possible, analysis was extended to include internal reorganisations and new strategies drafted during the year. The new estimate will be available in 2024.

At the same time, new product packaging design work was undertaken in 2023 to prevent the consumption of an additional 1,548 tonnes of plastic per year worldwide.



○ In 2023, plastic stretch film and single-use plastic foam in **Olaian 100 and 500 bodyboards<sup>18</sup>** were eliminated. By switching to cardboard packaging, the company can avoid consuming 10 tonnes of plastic per year.

Reducing the impact  
of packaging in logistics

E-commerce packaging

As it works to gradually eliminate single-use plastic pouches from logistics circuits for the shipment of e-commerce orders, **Decathlon has been replacing them since 2021 with paper envelopes, which have less impact on the environment**.

In 2023, Decathlon reduced the weight of plastic pouches used in e-commerce by 79% (185 tonnes used this year compared to 876 tonnes in 2022). To do this, it widely deployed alternative packaging solutions, such as paper envelopes (292 tonnes vs 72 tonnes in 2022) and cardboard boxes (7,735 tonnes vs 5,085 tonnes in 2022).

Outer packaging

This year saw **better data management and improved reliability of data reporting for outer packaging**. In 2023, 1,631 tonnes of single-use plastic packaging were used (compared with 1,628 tonnes in 2022). To reduce its plastic packaging consumption, Decathlon is now developing cellulose alternatives (paper adhesive tape, paper padding, etc.) and is working to find a replacement for plastic stretch film in warehouses.

Reducing the consumption  
of single-use plastic in stores

Decathlon is working to limit the use of single-use plastic in stores.

Carrier bags

Thanks to the complete elimination of single-use plastic carrier bags available at checkouts in 18 countries in 2023, the number of bags **decreased by 93.5% this year compared with 2022**. To reach its goal of zero single-use plastic carrier bags, teams will offer personalised support to the four countries (Italy, Cambodia, Kazakhstan and Serbia) still using this type of packaging to help them eliminate any remaining quantities (1.2 tonnes).

Clothes hangers

Decathlon is setting up various actions to limit its consumption of single-use plastic hangers:

- **Designing hangers made of recycled materials:** 68.7% recycled material (recycled polypropylene) was used to manufacture new hangers in 2023 (56% in 2022)
- **Collecting hangers used for sale: 65% of hangers were collected** (65% in 2022). The target of at least 75% collection by the end of 2023 could not be reached despite actions identified in 2022. This can be explained primarily by a difficulty in organising collection in stores. This issue will be monitored intensively in 2024 to ensure the target is reached
- **Reusing hangers:** 71.3 million hangers were reused (65.4 million in 2022) thanks to progress made in facilitating the return of hangers collected in stores to Asian product suppliers (35% reuse vs 21% in 2022)

Measuring and reducing water consumption

KEY FIGURE as of 31/12/2023

**650**  
Rank 1 and Rank 2  
production sites were  
autonomous in measuring  
their water consumption<sup>19</sup>  
n/a in 2022

According to the latest report from the World Resources Institute<sup>20</sup>, **one-quarter of the world's population is now exposed to extremely high levels of water stress every year**, and 50% of the population is affected for at least one month per year.

Suppliers need to use large volumes of water to manufacture Decathlon items, and especially its textile products. **This means that Decathlon's business can impact the availability of resources, which is why it is essential that the company support suppliers in improving their water management**.

**Water shortages could also impact the company financially, which is why Decathlon is working to set up adaptation actions for its priority climate risks**. These include rising prices and a scarcity of raw materials due to the impact of water stress, as well as production interruptions due to water shortages or poor water quality.

In 2024, Decathlon plans to:

- Use a **circular hanger** compatible with most jackets and sweaters sold in the autumn, in a closed loop system in each store
- Continue tests conducted with "How to sell" professionals **to limit the number of products requiring hangers in store**
- **Replace two million plastic hangers with cardboard ones** for certain types of products, such as swimwear

To reduce its vulnerability in the supply chain and limit its impact on the environment, **Decathlon has been carrying out various actions with its suppliers since 2021**, including the Sustainable Textile Processing project<sup>21</sup> with its 30 suppliers consuming the most energy, water and chemicals. This project eliminated the consumption of 300,000 m<sup>3</sup> of water in 2023 (compared with 240,000 m<sup>3</sup> in 2022).

This year, Decathlon also **inventoried water use** at production sites through new questions in its audit grid. By collecting this data from suppliers, Decathlon is able to better understand **how water is being managed throughout its network**. The following are measured:

- Water consumption for domestic use
- Water consumption for industrial purposes
- Recycled water quantities



17. Excluding nutrition, chemicals and cosmetics, products requiring protection to preserve their technical nature and products subject to legal constraints.  
18. Olaian: Decathlon brand dedicated to surfing.

19. Indicator monitored since 2023.  
20. World Resources Institute, "Aqueduct 4.0: Updated Decision-Relevant Global Water Risk Indicators", 16 August 2023, <https://www.wri.org/research/aqueduct-40-updated-decision-relevant-global-water-risk-indicators>.  
21. More information on the Sustainable Textile Processing project on p.57.

# PERFORMANCE INDICATORS

| ENVIRONMENTAL MANAGEMENT IN PRODUCTION                                                                 |  |                                                                                     |       | 2022                                 | 2023                               |
|--------------------------------------------------------------------------------------------------------|--|-------------------------------------------------------------------------------------|-------|--------------------------------------|------------------------------------|
| SCOPE & NUMBER OF ASSESSMENTS   INDUSTRIAL & TERRITORIAL ECOLOGY AT OUR SUPPLIERS                      |  |                                                                                     |       |                                      |                                    |
| Number of production sites concerned by environmental assessments (as of 31/12):                       |  |                                                                                     |       |                                      | (Note 52)                          |
| → Number of Rank 1 production sites concerned                                                          |  |                                                                                     |       | 182                                  | 216                                |
| → Number of Rank 2 production sites concerned                                                          |  |                                                                                     |       | 89                                   | 48                                 |
| Number of environmental assessments conducted (from 01/01 to 31/12)                                    |  |                                                                                     |       | 142                                  | 137 (Note 53)                      |
| Number of environmental assessments conducted internally (from 01/01 to 31/12)                         |  |                                                                                     |       | 81                                   | 97 (Note 53)                       |
| FOCUS ON THE RESULTS OF ASSESSMENTS   INDUSTRIAL & TERRITORIAL ECOLOGY AT OUR SUPPLIERS                |  |                                                                                     |       |                                      |                                    |
| % of Rank 1 and Rank 2 production sites rated A, B or C in the environmental assessments (as of 31/12) |  |  | 83.4% |                                      | 86.7% (Note 54)                    |
| Results of environmental assessments of partners and company-owned production sites (as of 31/12):     |  |                                                                                     |       |                                      |                                    |
|                                                                                                        |  |                                                                                     |       | 97.1%                                | 93.6%                              |
| → % of partner supplier production sites rated A, B or C                                               |  |                                                                                     |       | –<br>A: 2.9%<br>B: 42.9%<br>C: 51.4% | –<br>A: 0%<br>B: 58.1%<br>C: 35.5% |
| → Number of partner supplier production sites rated A, B or C                                          |  |                                                                                     |       | 34                                   | 29                                 |

**NFRD 2023 methodological notes**

**Note 52:** The production sites covered by the environmental audits are only those included in the tool used by Decathlon, GEX, excluding head offices and groups of head offices.  
There are 216 Rank 1 production sites subject to an environmental audit (as of 31/12/2023).  
There are 48 Rank 2 production sites subject to an environmental audit (as of 31/12/2023).

**Note 53:** As of 31/12/2023, 137 environmental assessments had been conducted: 97 with the help of 26 Decathlon internal auditors (including 6 new ones in Turkey, India, Taiwan and Vietnam) and 40 through external audit bodies (SGS, Bureau Veritas and TÜV Rheinland).

**Note 54:** The target for the percentage of sites rated A, B or C remains the same as in 2022 (82%) due to the migration to the new tool used by Decathlon to manage its suppliers (GEX). At the end of 2023, a score of 86.7% A, B or C had been achieved (out of 264 sites), representing an increase of 3 points compared with 2022.

Of the 216 Rank 1 production sites, 182 are rated A, B or C. Of the 48 Rank 2 production sites, 42 are rated A, B or C.

## ENVIRONMENTAL MANAGEMENT IN PRODUCTION

2022

2023

### WATER CONSUMPTION AND POLLUTION

|                                                                                                                                    |     |               |
|------------------------------------------------------------------------------------------------------------------------------------|-----|---------------|
| Number of Rank 1 and 2 production sites that are autonomous regarding measurement of their water consumption (from 01/01 to 31/12) | n/a | 650 (Note 55) |
|------------------------------------------------------------------------------------------------------------------------------------|-----|---------------|

|                                                                                                      |     |               |
|------------------------------------------------------------------------------------------------------|-----|---------------|
| Number of production sites concerned by the ZDHC Output programme at Decathlon (from 01/01 to 31/12) | n/a | 199 (Note 56) |
|------------------------------------------------------------------------------------------------------|-----|---------------|

|                                                                                                                                      |     |                |
|--------------------------------------------------------------------------------------------------------------------------------------|-----|----------------|
| % of production sites concerned that have uploaded their ZDHC Clearstream reports to the ZDHC GATEWAY platform (from 01/01 to 31/12) | n/a | 84.5 (Note 56) |
|--------------------------------------------------------------------------------------------------------------------------------------|-----|----------------|

**NFRD 2023 methodological notes**

**Note 55:** This indicator is reported for the first time this year, hence the absence of data for 2022.

In 2023, 650 production sites were monitoring their water consumption (industrial, domestic and recycled), using the Resource Advisor tool.

**Note 56:** These indicators are reported for the first time this year.

In 2023, 406 production sites were involved in the ZDHC (Zero Discharge of Hazardous Chemicals) programme, including 199 by the ZDHC Output programme, which covers the management of their wastewater. Of these 199 sites, 84.5% carried out wastewater tests, the reports for which are available in the ZDHC Gateway tool.

## CHEMICAL MANAGEMENT

2022

2023

### PRODUCT SAFETY | CHEMICAL MANAGEMENT

|                                                                                                                                |       |               |
|--------------------------------------------------------------------------------------------------------------------------------|-------|---------------|
| % of suppliers who have signed the latest version of Decathlon's RLC requirements on chemical substances (from 01/01 to 31/12) | 81.6% | n/a (Note 57) |
|--------------------------------------------------------------------------------------------------------------------------------|-------|---------------|

|                                                                                       |       |               |
|---------------------------------------------------------------------------------------|-------|---------------|
| % of samples that comply with Decathlon's chemical requirements (from 01/01 to 31/12) | 85.8% | 86% (Note 58) |
|---------------------------------------------------------------------------------------|-------|---------------|

|                                                                                                |    |              |
|------------------------------------------------------------------------------------------------|----|--------------|
| Number of Decathlon production sites trained in chemical risk management (from 01/01 to 31/12) | 44 | 63 (Note 59) |
|------------------------------------------------------------------------------------------------|----|--------------|

**NFRD 2023 methodological notes**

**Note 57:** The migration, during 2023, from the SDB (Supplier Database) platform to the GEX tool for monitoring Decathlon suppliers and the problems that accompanied this change made it impossible to extract reliable data concerning the percentage of signatures on the Restricted List of Chemicals (RLC). As the latest version of this list (updated in 2022) is still in force, and given the information gathered last year, it is prudent to estimate a signature rate of 80% at the end of 2023. The target set for this indicator was a rate of over 90% for 2023.

**Note 58:** As in 2022 and previous years, there has been no significant change in this indicator. The rate of samples tested as "compliant" remains relatively constant at 86% (below the 2023 target of at least 90%). This rate depends on a number of parameters likely to have an impact on it:

- downwards: inclusion of new chemical substances that are critical from a health and/or compliance point of view in the test packages, revision of certain limit values for substances already tested in the packages, revision of the test guides in order to test the riskiest areas with greater precision
- or upwards: acceleration of the supplier training policy, increase in the number of tests carried out upstream of product validation

The number of products tested to Decathlon's chemical requirements has risen slightly, following on from previous years: 5,739 in 2020, 6,894 in 2021, 7,451 in 2022 and 8,366 in 2023. This increase is mainly due to the increase in the coverage of products tested and also to the acceleration of tests carried out on components. The current testing policy aims to test more and more of the components used in the manufacture of several products, in order not only to manage risk more effectively upstream, but also to pool tests that will no longer, in time, have to be carried out on the finished product.

**Note 59:** In 2023, 63 new production sites were trained in chemical risk management, bringing the total number of sites trained to 336 since the training programme was launched. This number is slightly below the target of 65, but is nevertheless higher than in 2022. The progress made in 2023 was made possible by the network of trainers in the production countries, which had almost 40 members by the end of 2023. In addition to the training given to new suppliers, 16 of them who had already received training in 2023 received a visit from a trainer during the year for a second training session and/or a follow-up visit on the implementation of the actions requested following the first training session. This performance is equivalent to that achieved in 2022 and below the target of 30. The new training strategy for the coming years will focus on strengthening these second training courses/visits to suppliers who have already been trained.

| CHEMICAL MANAGEMENT                                                                                                                                              | 2022      | 2023                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|---------------------|
| PRODUCT SAFETY   CHEMICAL MANAGEMENT                                                                                                                             |           |                     |
| Average time of 1st customer contact following an allergy report (from 01/01 to 31/12)                                                                           | 2 days    | 1.7 days (Note 60)  |
| Average time taken to close a customer file following the management of an allergy complaint or a customer question on chemical substances (from 01/01 to 31/12) | 41.8 days | 47.2 days (Note 60) |
| Number of production sites concerned by the ZDHC project at Decathlon (from 01/01 to 31/12)                                                                      | 373       | 404                 |
| % of production sites concerned by the ZDHC project and having committed to the approach (from 01/01 to 31/12)                                                   | 58%       | 80%                 |
| % of production sites that have completed their Incheck report (from 01/01 to 31/12)                                                                             | n/a       | 46.5% (Note 61)     |
| % of production sites with a "Supplier to Zero" certificate attesting to a fundamental level (from 01/01 to 31/12)                                               | n/a       | 23.8% (Note 62)     |

**NFRD 2023 methodological notes**  
**Note 60:** Note that the method of calculating these two indicators was changed in 2023. The average used is now a weighted average. The 2022 data has therefore been restated to include this change in methodology.  
In 2023, the average time of 1<sup>st</sup> customer contact following an allergy report was 1.7 days on average, against a target of 1.8 days. This result is 1.52 for files handled in France and 1.9 for international files.  
The average time taken to close a customer file following the handling of an allergy complaint or a customer query about chemical substances is 47.2 days, against a target of 35 days.  
The average processing time for files handled in France in 2023 therefore deteriorated, despite the fact that the overall number of files opened in 2023 was around 4% lower than in 2022. This can be explained by the fact that files remained open during the year due to the need for action external to Decathlon, which contributed to extending the time taken to process these files. Particular vigilance will need to be maintained during the summer of 2024, when activity peaks.  
It is also important to note that requests issued in Germany are excluded from the scope, as the 1<sup>st</sup> contact time is not recorded in the tracking file, as the majority of questions asked relate to the presence of substances of very high concern (SVHC) and perfluorocarbons (PFC), which do not require a 1st contact but a final response.  
The objective for 2024 is to aim for an average closure of less than 40 days, and to increase the efficiency of Decathlon teams during the summer period, when the number of cases increases sharply.  
For the sake of representativeness, the overall average of the indicator at the time of file closure is weighted to give greater weight to the French average. Internationally, the files handled are mainly customer queries with relatively fast closure times (average closure time of 21 days internationally), whereas in France they are mainly allergy cases with longer processing times (47.5 days on average) because they require tests with external laboratories. A simple average would therefore be biased, and would automatically reduce the time taken to process files.  
**Note 61:** This is a new indicator introduced in the 2023 NFRD, hence the absence of data for 2022. The incheck report corresponds to a chemical inventory in accordance with the ZDHC framework.  
**Note 62:** This is a new indicator introduced in the 2023 NFPR, hence the absence of data for 2022.  
The fundamental level is the basic level of the programme. It allows suppliers to access the ZDHC chemicals management system. They learn how to implement the ZDHC guidelines, platforms and solutions.

| FIGHTING PLASTIC POLLUTION                                                                     | 2022         | 2023                   |
|------------------------------------------------------------------------------------------------|--------------|------------------------|
| ZERO SINGLE-USE PLASTIC                                                                        |              |                        |
| Weight of single-use plastic packaging eliminated for Decathlon products (from 01/01 to 31/12) | 1,319 tonnes | 1,548 tonnes (Note 63) |
| Weight of single-use plastic e-commerce packaging (from 01/01 to 31/12):                       | 876 tonnes   | 240 tonnes (Note 64)   |
| → plastic pouches                                                                              | 876 tonnes   | 185 tonnes             |
| → plastic padding                                                                              | 0.13 tonnes  | 55 tonnes              |
| Weight of single-use plastic logistic packaging (from 01/01 to 31/12):                         | 1,628 tonnes | 1,631 tonnes (Note 65) |
| → plastic stretch film                                                                         | 1,561 tonnes | 1,118 tonnes           |
| → plastic adhesive tape                                                                        | 67 tonnes    | 136 tonnes             |
| → plastic strapping                                                                            | 0 tonnes     | 377 tonnes             |
| Quantities of single-use plastic checkout bags in stores (from 01/01 to 31/12)                 | 3,568,164    | 233,235 (Note 66)      |

**NFRD 2023 methodological notes**  
**Note 63:** In 2023, the teams set themselves the target of achieving a 60% reduction in single-use plastics (sales packaging, packaging used to transport finished products from our production plants, excluding logistics and e-commerce). However, as of 31/12/2023, 68% of single-use plastics had been eliminated, representing 4,710 tonnes out of 7,000 tonnes since the start of the project in 2019 (57 tonnes in 2019 + 337 tonnes in 2020 + 1,449 tonnes in 2021 + 1,319 tonnes in 2022 + 1,548 tonnes in 2023).  
In 2024, the calculation methodology will be updated to redirect the strategy of eliminating single-use plastics in order to achieve the overall commitment of 0 single-use plastics by 2026, a commitment that Decathlon has set itself, for all packaging components (excluding nutrition, chemicals & cosmetics and products requiring protection to ensure their technicality, products subject to a legal constraint).  
**Note 64:** The 2022 data on the weight of single-use plastic packaging used in e-commerce has been updated.  
In 2023, Decathlon reduced the weight of plastic pouches used in e-commerce by 79%. As a result, the use of alternative packaging (paper pouches and cardboard boxes) has increased, and plastic pouches now account for only a very small proportion (0.002%) of e-commerce packaging.  
Plastic padding is a new indicator that will be tracked from January 2023. Paper-based alternatives account for 31% of padding used (69% is plastic).  
**Note 65:** The 2022 data on the weight of single-use plastic packaging used in logistics has been updated.  
For single-use plastic stretch film:  
In 2023, its weight remained relatively stable (down 0.18%). As paper film is still in the early stages of deployment, it accounted for just 0.2% of usage in 2023.  
For logistical packaging such as adhesive tape:  
Its monitoring began in 2022 and was stepped up in 2023, in particular by means of an estimation process when local data is not provided by the sites. The weight of this type of packaging increased by 103% in 2023. The alternative paper solution has also been deployed, covering 23% of total adhesive tape quantities.  
For plastic strapping packaging:  
This is a new indicator introduced in 2023. Its paper-based alternative will be the subject of special guidance aimed at the logistics network, which bodes well for a reduction in the use of plastic strapping in favour of paper for logistics packaging.  
**Note 66:** In 2023, resources were made available to help countries reduce the use of single-use plastic checkout bags. This effort will be maintained in 2024, with the aim of phasing out this type of packaging altogether by the end of the year.  
In 2023, there was an overall reduction of 93.5% in the quantity of single-use plastic checkout bags compared with 2022, with the cessation of their use in 18 countries in 2023. Four countries (out of a total of 55) are still concerned by the use of these single-use plastic bags, and personalised support will enable them to stop using them. In 2023, these quantities represented an estimated weight of 1.2 tonnes (one plastic bag weighs around 5 grams).

# 2.3

## BIODIVERSITY

PERFORMANCE INDICATORS





# Committed to fighting the erosion of life



The erosion of biodiversity, with a decline in animal and plant populations, is one of the nine planetary boundaries<sup>1</sup>. According to the Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services (IPBES)<sup>2</sup>, the decline in biodiversity and the threat to ecosystems is accelerating at an unprecedented pace in human history. In the Living Planet Report 2022, the NGO WWF states that vertebrate populations declined by an average of 69% between 1970 and 2018<sup>3</sup>.

There is still time to change, however, if decisions are taken at all levels, both global and local, and in all areas of activity: economic, health, quality of life, etc. Nature must be protected and restored in order to re-establish a balance between the natural functions provided by ecosystems.

Decathlon has been working on the subject for several years, seeking an approach that measures its footprint as broadly as possible so it can establish the most effective action plans. This scientific approach aims to limit the pressures and impacts of Decathlon's activities on ecosystems, and help restore natural areas. Measuring its footprint on ecosystems involves all activities in Decathlon's value chain, from supply to product use and product end-of-life.

## 2023 HIGHLIGHTS

- For the first time, Decathlon defined a biodiversity trajectory and aims to **reduce its annual impact on terrestrial ecosystems by 6% in scopes 1, 2 and 3<sup>4</sup> by 2026, based on the impacts measured in 2021.**
- The company launched an exploratory project to **identify the most impactful raw materials** in its value chain.
- Decathlon finalised a pilot project in India **highlighting the need for a binding international framework** to define reduction trajectories adapted to local contexts.
- The company is continuing its efforts to reach its target of having **10% of its French real estate include the "Signature Biodiversité" renaturation process in 2024.**

KEY FIGURES as of 31/12/2023

**58.2**  
artificialised km<sup>2</sup> eq.  
– Annual impacts<sup>5</sup> on  
terrestrial ecosystems  
due to Decathlon's activities  
63.5 in 2022<sup>6</sup>

**9,072**  
artificialised km<sup>2</sup> eq.  
– Cumulative impacts on  
terrestrial ecosystems due  
to Decathlon's activities since  
the company's creation  
9,008 in 2022

**1.4**  
artificialised km<sup>2</sup> eq.  
– Annual impacts on  
freshwater ecosystems due  
to Decathlon's activities  
1.5 in 2022

**442**  
artificialised km<sup>2</sup> eq.  
– Cumulative impacts on  
freshwater ecosystems due  
to Decathlon's activities since  
the company's creation  
440 in 2022

## Sharing a common framework

### BIODIVERSITY ISSUES

To share a common framework, understand the issues and build action plans to preserve biodiversity, Decathlon relies on scientific definitions that are shared with the teams internally. So, when the company refers to biodiversity, it uses the definition put forward by IPBES, which includes:

- **Genetic diversity** (differences between similar individuals, such as at the species level)
- **Species diversity** (differences between distinct groups of individuals)
- **Ecosystem diversity**  
The balance between species and their habitat (ecosystem) is fundamental to human life on Earth.  
In its *Global Assessment Report on Biodiversity and Ecosystem Services*<sup>7</sup>, IPBES also highlights that biodiversity contributes to human societies and their well-being:
- **Regulatory contributions:** habitat creation and maintenance, pollination, regulation of air quality, climate, etc.
- **Material contributions:** energy, food, medicinal resources, etc.
- **Non-material contributions:** learning and inspiration, physical and psychological experiences, etc.

These contributions vary depending on the state of health of the ecosystems.  
The pressures on biodiversity exerted by human activities change life circumstances and therefore have an impact on the resources available, including those necessary for human life. IPBES has identified five major pressures on biodiversity: changes in land and sea use, direct exploitation of certain organisms, climate change, pollution and invasive alien species.

To consolidate the thoughts and considerations aimed at defining Decathlon's trajectory, the teams use the Global Biodiversity Framework<sup>8</sup> (GBF), which was created in December 2022 as part of the Kunming-Montreal Agreement signed during the COP15 UN Biodiversity Conference. It defines 23 targets to preserve and restore biodiversity by 2030.  
**It is within this context that Decathlon strives to base its actions while taking into account the specific nature of its activities.**

### DEFINING A TRAJECTORY

In 2023, **Decathlon defined a trajectory linked to biodiversity for the first time** and aims to **reduce its annual impact on terrestrial ecosystems by 6% in scopes 1, 2 and 3<sup>9</sup> by 2026, based on the impacts measured in 2021** (64.1 artificialised km<sup>2</sup> eq. in 2021). This first trajectory aims at committing Decathlon teammates to reducing the impacts related to the company's activities on ecosystems. The company will revise this goal upwards as new levers for action are identified.  
In this way Decathlon expresses its desire to permanently establish the topic in the company's performance indicators, despite there currently being no international standard.

1. Planetary boundaries are the thresholds that humanity should not exceed in order to avoid compromising the favourable conditions under which it has been able to develop and live sustainably in a safe ecosystem, i.e., by avoiding brutal and unforeseeable changes to the global environment: <https://www.stockholmresilience.org/research/planetary-boundaries/the-nine-planetary-boundaries.html>.  
2. A group dedicated to biodiversity and supported by the UN: <https://ipbes.net/news/Media-Release-Global-Assessment>.  
3. WWF, *Living Planet Report*, 2022.  
4. Distribution and design, excluding alliances.

5. In 2022, Decathlon decided to change terminology and speak of annual impacts rather than dynamic pressures to make the concept easier to understand.  
6. All 2022 data has been reprocessed to take into account the methodological changes adopted in 2023 and thus obtain comparable data.  
7. For more information: IPBES, 2019, "The global assessment report on biodiversity and ecosystem services", pp. 22-23.  
8. For more information on the Global Biodiversity Framework: <https://www.unep.org/news-and-stories/story/cop15-ends-landmark-biodiversity-agreement>.  
9. Distribution and design, excluding alliances.

Measuring Decathlon's impact on biodiversity



METHODOLOGY

To assess biodiversity, one of the units of measurement is the MSA.km<sup>210</sup>. This represents the average abundance of plant and animal species characterising the intactness of ecosystems.

**Decathlon has chosen the Global Biodiversity Score® (GBS®) tool** backed by CDC Biodiversity<sup>11</sup> until an international standard for biodiversity footprint measurement is established. The GBS® calculation methodology is applied to the company's various activities to generate a measurable result that can be used to develop improvement scenarios. It offers the advantage of being adaptable to various levels of accuracy: as more data is added, the results become increasingly reliable.

To make the results easier to understand, Decathlon has chosen to use the term **"artificialised square kilometre equivalent"** based on the following conversion: 1 MSA.km<sup>2</sup> = 1 artificialised km<sup>2</sup> eq.<sup>12</sup>.

→ ADVANCES IN 2023

**In 2023, Decathlon identified the most impactful raw materials in its value chain.** This first study was conducted using GBS® tool modelling and aims to offer greater visibility to teams, so that they can prioritise remediation actions. Based on the study's initial results, Decathlon identified cotton and metal as priority raw materials if it is to reduce its impact on ecosystems. The project will continue in 2024, with the aim of improving data reliability and accurately identifying other raw materials, their alternatives, and industrial processes that will enable Decathlon to reach this objective.

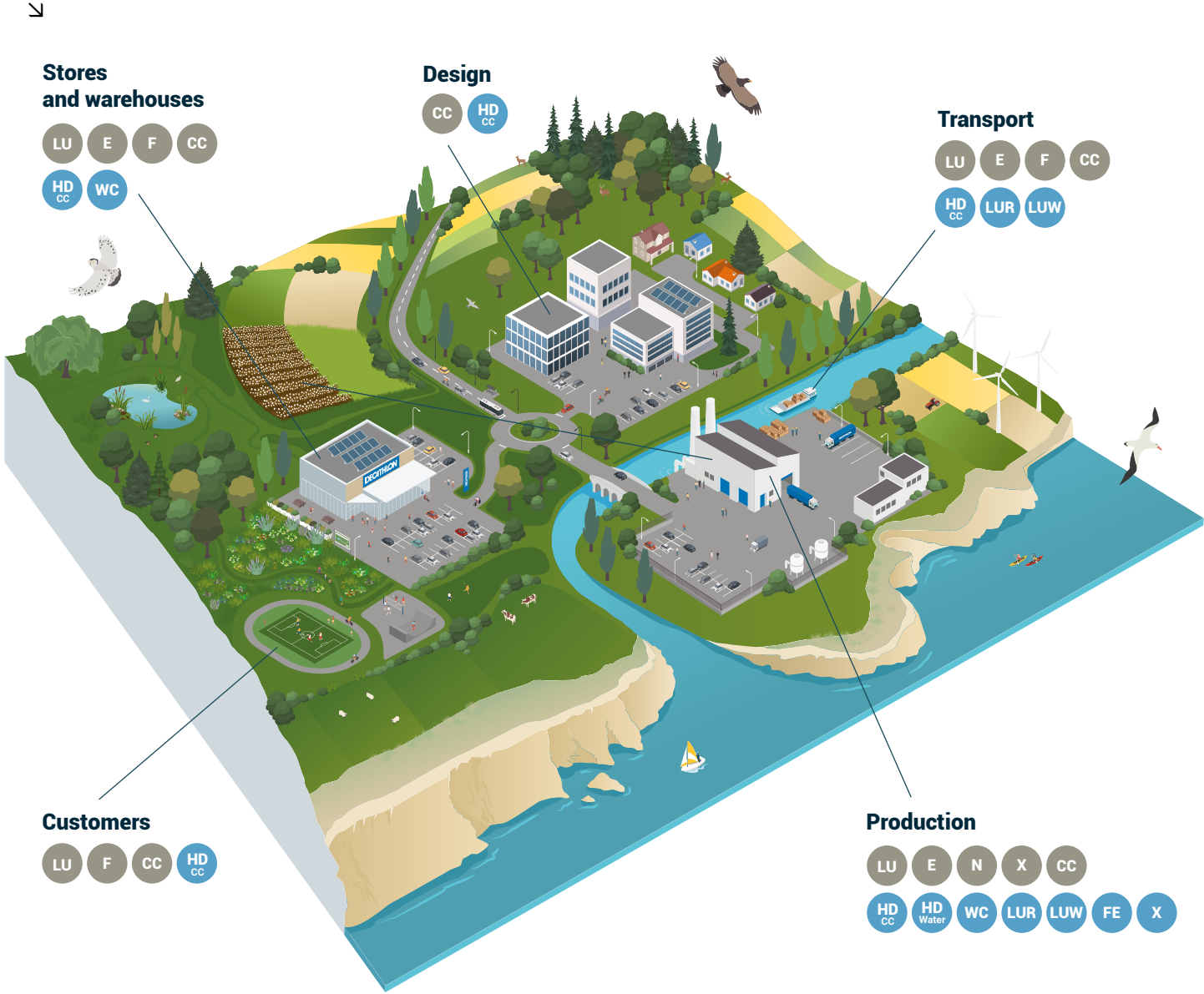
➔ **More information on raw materials on p. 110.**

ANNUAL IMPACTS AND CUMULATIVE IMPACTS

Calculation of the biodiversity footprint using the GBS® tool distinguishes between **the cumulative impact (persistent impact related to all past activities since the company's creation)** and **the annual impact (impact related to Decathlon's activities over the past year)**. It applies to **terrestrial and freshwater ecosystems**, with the tool not yet covering marine ecosystems. It integrates all Decathlon activities in **scopes 1, 2 and 3, as well as the Marketplace since 2023**.

To conform to scientific literature and improve accuracy, Decathlon changed the titles of the impact indicators in 2023. The company now expresses the consequences of its activities in terms of their impact on ecosystems rather than biodiversity.

**Simplified representation of Decathlon's impacts across the entire value chain**  
The pressures\* indicated are taken from the Global Biodiversity Score® tool (terrestrial and freshwater ecosystems).  
\*Direct factors of biodiversity degradation



TERRESTRIAL PRESSURES

Land occupation:

- LU Land use
- E Human encroachment
- F Fragmentation

Pollution:

- N Atmospheric nitrogen deposition
- X Terrestrial ecotoxicity

Climate change:

- CC Climate change

AQUATIC PRESSURES

Climate change:

- HD CC Hydrological disturbance due to climate change

Water use:

- HD Water Hydrological disturbance due to water use

Land occupation:

- WC Wetland conversion

Pollution:

- FE Freshwater eutrophication
- X Freshwater ecotoxicity
- LUR Land use in catchment of rivers
- LUW Land use in catchment of wetlands



10. MSA or "Mean Species Abundance" is a metric created by PBL (Dutch environmental assessment agency); the measurement is expressed as a percentage.  
11. For more information on CDC Biodiversité: <https://www.cdc-biodiversite.fr/>.  
12. An impact of 1 MSA.km<sup>2</sup> is equivalent to the artificialisation of 1 km<sup>2</sup> of undisturbed natural ecosystem. Source: CDC Biodiversity, "Measuring the Biodiversity Footprint of Companies and Financial Assets", webinar, June 2022.

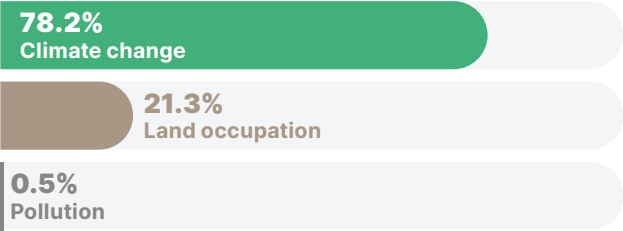
Annual impacts

To observe the pressures on biodiversity, it is necessary to look at each of its ecosystems (terrestrial, freshwater and marine). Indeed, each of these ecosystems requires specific actions.

Decathlon and marine ecosystems

Decathlon's impact on marine ecosystems has not yet been modelled because the GBS® methodology is still under development. However, the company is taking action on various levels to reduce its impact, in particular by working to reduce its CO<sub>2</sub> emissions to limit climate change<sup>13</sup>, carrying out modelling to define a trajectory to reduce its plastics footprint<sup>14</sup> and fighting chemical risk through its membership in the ZDHC Foundation<sup>15</sup>.

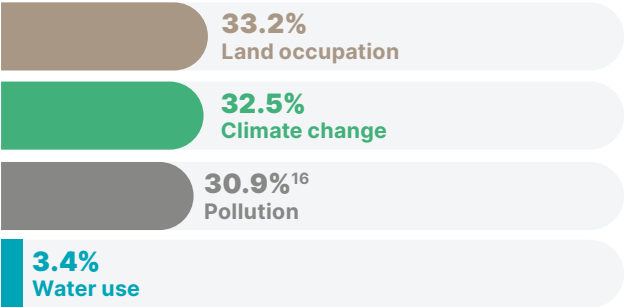
Breakdown of annual impacts on terrestrial ecosystems  
With a total of 58.2 artificialised km² eq.



This data shows that the erosion of biodiversity is indeed directly linked to climate change, which is responsible for 78.2% of annual terrestrial impacts. So, by working on climate change, action is also being taken to limit biodiversity loss.

➔ **More information on actions related to climate change on p. 44.**

Breakdown of annual impacts on freshwater ecosystems  
With a total of 1.4 artificialised km² eq.



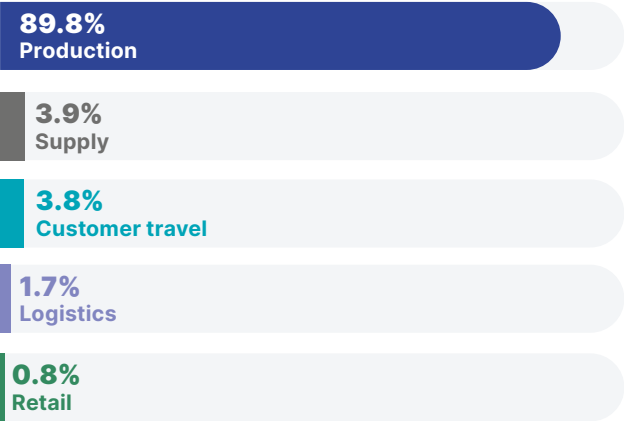
This data shows that freshwater ecosystems are impacted primarily by three factors: climate change, land use and pollution. This illustrates the pressures on freshwater ecosystems, and on which the company must take action to reduce its impact.

Annual impacts by activity

Breakdown of annual impacts on terrestrial ecosystems by activity  
With a total of 58.2 artificialised km² eq.



Breakdown of annual impacts on freshwater ecosystems by activity  
With a total of 1.4 artificialised km² eq.



The annual impacts on terrestrial and freshwater areas mainly come from product manufacturing. Therefore, positioning a sustainable economic activity within planetary boundaries in general and ecosystems in particular requires transitioning to circular business models. These models encourage optimising the uses of existing products throughout their extended lifetime instead of manufacturing new ones.

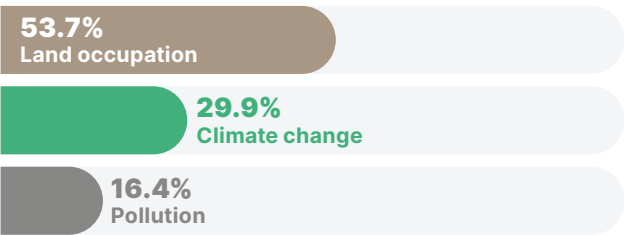
Cumulative impacts since the company's creation

The impacts generated by the Group's activities are being studied to define preventive and curative actions. Since 2021, Decathlon has been one of the first companies to undertake this overall review, which also allows it to consider the cumulative impacts related to the company's activities since its creation. **This analysis also allows the company to measure the trajectory it needs to take** to help restore the resources and ecosystems affected by its business activities since 1976.

Based on GBS® simulations, Decathlon has been able to determine the cumulative impact of its global activity since the company's creation at **9,072 artificialised km² eq. on terrestrial ecosystems, and 442 artificialised km² eq. on freshwater ecosystems.**

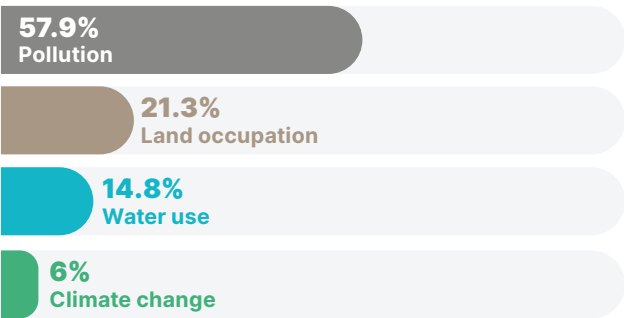
Breakdown of cumulative impacts on terrestrial ecosystems

With a total of 9,072 artificialised km² eq.



Breakdown of cumulative impacts on freshwater ecosystems

With a total of 442 artificialised km² eq.



Observing the breakdown of cumulative impacts on the company's terrestrial and freshwater ecosystems allows Decathlon to prioritise restoration actions it needs to take. So, Decathlon is continuing its research to help renature artificialised land and rehabilitate polluted land.

Identifying and implementing actions that help avoid and reduce erosion, and restore biodiversity along the entire value chain

The distinction between annual impacts and cumulative impacts requires two different action strategies, enabling the company to engage in evolving its practices to contribute to fighting the erosion of biodiversity. In accordance with these criteria and with the AR<sup>3</sup>T method<sup>17</sup>, Decathlon's priority issues are:

- **First, to reduce the impacts on biodiversity** by working on the manufacture of sporting goods for instance, which contributes to both climate change and resource erosion
- **Second, to help restore biodiversity equal to the extent of Decathlon's impacts** by acting on the company's building footprint, for example



13. More information on action taken to limit climate change on p. 44.  
14. More information on the "Plastic Pollution in the Oceans" project on p. 85.  
15. More information on Decathlon's membership in the ZDHC Foundation on p. 84.  
16. Following a methodological error, data on land use in river catchment areas and land use in wetland catchment areas were included in "Pollution" pressure. More information in the methodological note on p. 103.

17. An action framework proposed by the Science-Based Target Network – AR<sup>3</sup>T initiative: avoid, reduce pressures, restore and regenerate nature, transform the system. For more information: <https://sciencebasedtargetsnetwork.org/wp-content/uploads/2021/03/SBTN-Initial-Guidance-executive-summary.pdf>.

Actions that help avoid, reduce or compensate for the erosion of biodiversity along the value chain

AVOID

Climate change

Land use

Exploitation of natural materials

Pollution

Les pictogrammes associés présentent les principaux leviers de Decathlon dans la mise en œuvre des projets.

Product design

Choice of raw materials

Durability

Recyclability

Offer optimisation

Customers

Rentals

Second life

Repairs

Ecomobility

Warehouses and stores

Waste sorting

Renewable energies

Energy efficiency

Environmental certification for buildings

Site restoration/renaturation

COMPENSATE

Production

Choice of components (recycled, from organic farming)

Choice of industrial processes

Optimised component quantities

Chemicals management

Renewable energies

Energy efficiency

Water treatment

Hazardous waste management

Limiting air pollution

Transport

Less impactful modes of transport (barge, train)

Improved fill rates

Optimised energy (alternative fuels)

Optimised distances

Responsible providers

THE PILOT PROJECT IN INDIA

In 2023, Decathlon continued the pilot project launched in India to help the country reduce its impacts on local ecosystems by 2030, along its entire value chain. **During this second year, the footprint on biodiversity was measured at the country scale for the first time** using the GBS® tool. So, the impacts calculated in India for 2022 are:

- 2.6 artificialised km² eq. for terrestrial ecosystems (2.1 artificialised km² eq. in 2021)
- 0.04 artificialised km² eq. for freshwater ecosystems (0.06 artificialised km² eq. in 2021)

Since no binding framework exists for companies, and on the basis of this measurement, **Decathlon chose to use two potential trajectories to reduce its impact on biodiversity:**

- The first is based on the CDC Biodiversity hypothesis, which **proposes reducing the annual impact by 50% by 2030 (compared to impacts measured in 2021)**. This trajectory is based on measured scientific objectives, but does not take the local context into account
- The second is **based on the share of circularity in the development of the company's activities in India**. Company teams suggested this trajectory as being suitable for the local context, defining realistic, short-term and measurable objectives

Decathlon's objective for this pilot project is to **determine whether a target international trajectory can be replicated at the national scale**. At this point, the trajectory proposed by CDC Biodiversity is not applicable because it does not consider the local context. Still, this model does make it possible to set high ambitions for all countries and to encourage the implementation of realistic measures to reduce impacts on biodiversity.

The Indian pilot project highlights the need for an international framework for companies that identifies targets that can be adapted to local constraints.

Testimonial

Annie GEORGE,

Sustainability Leader,

Decathlon India, cycling enthusiast

"Through this project, we applied the Global Biodiversity Score® calculation method to our local activities to study Decathlon's impact on terrestrial and freshwater ecosystems. Then, using this estimate, we mapped the pressures to highlight actions having the greatest potential to reduce the company's impact locally."

RENATURING REAL ESTATE SITES IN FRANCE

As it upgrades its real estate portfolio, Decathlon has joined the *Entreprises Engagées pour la Nature* programme<sup>18</sup> to take measurable action, aiming to have **10% of the French real estate portfolio involved in the "Signature Biodiversité" renaturing approach in 2024**.

Since 2020, store locations in France have been following the **"Signature Biodiversité" approach**, which is an assessment based on 74 criteria that are evaluated for environmental performance, such as ecological continuity, water resources, plant density, light pollution, climate, quality of life, etc. The result (a score between 0 and 100) expresses the site's biodiversity footprint and is used to identify priority actions. Using this approach, Decathlon France is focusing on five priority pillars: natural shade through tree planting, water management, unsealing car park surfaces, greening existing spaces and outdoor lighting.

In 2023, the first six sites were assessed and work was initiated to rehabilitate their outdoor spaces completely: Cormontreuil, Limoges, Quetigny, Rennes Betton, Saint-Brieuc and Tarbes. These sites represent 44.8 hectares, i.e. 1.8% of Decathlon's total land area in France. Currently, 4.7% of Decathlon's French real estate holdings apply the "Signature Biodiversité" approach (3.2% full renaturation and 1.5% improvement actions) compared to 1.6% in 2022, for a total area estimated at 1,397 hectares.

FIGHTING DEFORESTATION

In 2021, the nutrition teams **banned the use of palm oil in the design rules of Decathlon's human nutrition range**, making it possible to reach the complete phase-out target set for 2023. Teammates are also working to **reduce soy consumption** while guaranteeing its origin and ensuring that farmland operations do not cause deforestation.

Decathlon has also set itself the goal of **applying Fairtrade/Max Havelaar certification<sup>19</sup> to all of its cocoa-based sports nutrition products by 2026**. This label guarantees fair remuneration for every producer and prohibits all activities related to deforestation. In 2023, new Fairtrade certified products were launched, including some bars and protein powders.

**Regarding the leather used to manufacture its shoes, in 2022 Decathlon decided to no longer purchase this material from Brazil**, a country that is impacted particularly strongly by the loss of forest area. In its activities, Decathlon wants to ensure that no raw material used for these products comes from farms contributing to deforestation. Most of the hides used today come from Europe, Argentina and the United States.

[➔ More information on raw materials on p. 110.](#)

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18. For more information on *Entreprises Engagées pour la Nature*: <https://engagespourlanature.ofb.fr/entreprises>.  
19. For more information on Fairtrade/Max Havelaar certification: <https://maxhavelaarfrance.org>.

#TomorrowStartsToday

101

PERFORMANCE

INDICATORS

| BIODIVERSITY                                                                                                   | 2022                         | 2023                                      |
|----------------------------------------------------------------------------------------------------------------|------------------------------|-------------------------------------------|
| IMPACT ON TERRESTRIAL ECOSYSTEMS                                                                               |                              |                                           |
| Cumulative impacts on terrestrial ecosystems caused by Decathlon's activities since its creation (as of 31/12) | 9,008 artificialised km² eq. | 9,072 artificialised km² eq.<br>(Note 67) |
| Annual impacts on terrestrial ecosystems caused by Decathlon's activities (from 01/01 to 31/12):               | 63.5 artificialised km² eq.  | 58.2 artificialised km² eq.<br>(Note 67)  |
| → Scope 1                                                                                                      | 0.1 artificialised km² eq.   | 0.1 artificialised km² eq.                |
| → Scope 2 and 3                                                                                                | 63.3 artificialised km² eq.  | 58.1 artificialised km² eq.               |
| Breakdown in % of annual impacts on terrestrial ecosystems by activity (from 01/01 to 31/12):                  |                              | (Note 67)                                 |
| → Distribution                                                                                                 | 1.8%                         | 1.7%                                      |
| → Production                                                                                                   | 84.4%                        | 83.8%                                     |
| → Logistics                                                                                                    | 1.8%                         | 1.5%                                      |
| → Procurement                                                                                                  | 3.6%                         | 3.9%                                      |
| → Customer travel                                                                                              | 8.5%                         | 9.1%                                      |
| Breakdown in % of annual impacts on terrestrial ecosystems by pressure (from 01/01 to 31/12):                  |                              | (Note 67)                                 |
| → Climate change                                                                                               | 79%                          | 78.2%                                     |
| → Land use                                                                                                     | 20.5%                        | 21.3%                                     |
| → Pollution                                                                                                    | 0.5%                         | 0.5%                                      |
| Breakdown in % of cumulative impacts on terrestrial ecosystems (from 01/01 to 31/12):                          |                              | (Note 67)                                 |
| → Climate change                                                                                               | 29.5%                        | 29.9%                                     |
| → Land use                                                                                                     | 54%                          | 53.7%                                     |
| → Pollution                                                                                                    | 16.5%                        | 16.4%                                     |
| IMPACT ON FRESHWATER ECOSYSTEMS                                                                                |                              |                                           |
| Cumulative impacts on freshwater ecosystems caused by Decathlon's activities since its creation (as of 31/12)  | 440 artificialised km² eq.   | 442 artificialised km² eq.<br>(Note 67)   |
| Annual impacts on freshwater ecosystems caused by Decathlon's activities (from 01/01 to 31/12):                | 1.5 artificialised km² eq.   | 1.4 artificialised km² eq.<br>(Note 67)   |
| → Scope 1                                                                                                      | 0 artificialised km² eq.     | 0 artificialised km² eq.                  |
| → Scope 2 and 3                                                                                                | 1.5 artificialised km² eq.   | 1.4 artificialised km² eq.                |

BIODIVERSITY

2022

2023

IMPACT ON FRESHWATER ECOSYSTEMS

|                                                                                              |       |           |
|----------------------------------------------------------------------------------------------|-------|-----------|
| Breakdown in % of pressure on freshwater ecosystems by activity (from 01/01 to 31/12):       |       | (Note 67) |
| → Distribution                                                                               | 0.8%  | 0.8%      |
| → Production                                                                                 | 90.3% | 89.8%     |
| → Logistics                                                                                  | 1.7%  | 1.7%      |
| → Procurement                                                                                | 3.6%  | 3.9%      |
| → Customer travel                                                                            | 3.6%  | 3.8%      |
| Breakdown in % of annual impacts on freshwater ecosystems by pressure (from 01/01 to 31/12): |       |           |
| → Climate change                                                                             | 33.1% | 32.5%     |
| → Land use                                                                                   | 32.1% | 33.2%     |
| → Pollution                                                                                  | 31.4% | 30.9%     |
| → Water use                                                                                  | 3.5%  | 3.4%      |
| Breakdown in % of cumulative impacts on freshwater ecosystems (from 01/01 to 31/12):         |       |           |
| → Climate change                                                                             | 5.9%  | 6.0%      |
| → Land use                                                                                   | 21.3% | 21.3%     |
| → Pollution                                                                                  | 58%   | 57.9%     |
| → Water use                                                                                  | 14.8% | 14.8%     |

NFRD 2023 methodological notes

**Note 67:**  
Regarding the methodological changes adopted for biodiversity-related reviews:  
At present, there is no regulatory framework on biodiversity reporting for companies (except for financial organisations) or an international calculation protocol similar to the GHG Protocol for the carbon footprint.  
For Decathlon, this is a voluntary commitment made as part of the "Entreprises Engagés pour la Nature" initiative in February 2021 and integrated into its transition plan.  
The method of calculation has changed, but it is still based on the Global Biodiversity Score (GBS). The tool was updated in June 2023 from version 1.4.5 to version 1.4.6 (link to the changes made: <https://www.cdc-biodiversite.fr/simplified-changelog-gbs/>).  
The data concerning Decathlon's CO<sub>2</sub> emissions in 2023 have been established using the GHG Protocol methodology. Polyester consumption data for the design of Decathlon products was not added to the tool this year, due to a lack of reliability, and also because of double counting generated by the GBS tool for this type of raw material.  
The results for 2021 and 2022 have been restated to take account of these methodological changes and to ensure that the data is comparable between the different years. The 2022 figures in the 2023 NFRD performance table are therefore those resulting from this restatement and are therefore comparable with the 2023 figures.

Regarding the changes in scope for biodiversity-related reviews:  
The organisation of the data provided to the GBS tool changed in 2023, to make it clearer and more consistent with Decathlon's activities. Real estate activities have therefore been included in the "Distribution" scope.  
A correction has been made in the consolidation of results following an error of interpretation in previous years. Impacts linked to the "Land use in catchment of rivers" and "Land use in catchment of wetlands" pressures defined by the GBS standard now appear in the "Pollution" category.

Regarding Decathlon's biodiversity objectives:  
In 2022, international negotiations took place and resulted in countries being encouraged to put in place a regulatory framework so that companies publish their footprint and dependence on biodiversity by 2030 (source target 15, COP15: <https://www.cbd.int/article/cop15-cbd-press-release-final-19dec2022>).  
The aim of this regulation is to "progressively reduce the negative impacts on biodiversity and increase the positive impacts" of companies, without giving any further details for the moment in terms of quantified targets. The next Conference of the Parties on Biodiversity (COP16) is due to take place in October 2024, and should give rise to more details and constraints for the States, which will have to incorporate this issue into their national regulations.  
With this in mind, Decathlon decided to set an initial target from 2023 to reduce the impact of its activities on terrestrial ecosystems by 6% scopes 1, 2 and 3 by 2026 (compared with the reference year of 2021). This quantified target, published in the 5<sup>th</sup> version of Decathlon's Transition Plan, is a first step towards integrating this indicator into the company's environmental performance, and will be updated to reflect Decathlon's new ambitions in this area.

Regarding the analysis of Decathlon's performance in 2023:  
The erosion of biodiversity generated by Decathlon's activities is mainly the result of pressures linked to climate change and changes in land use.  
As with climate change, production activities account for the majority of Decathlon's pressures on biodiversity.  
The cumulative impact of Decathlon's activities on biodiversity can be explained by the degradation of natural areas, climate change and pollution.  
In 2023, it was the third time Decathlon calculated the biodiversity footprint of its activities. From now on, this issue will be the subject of a reduction performance indicator for all Decathlon's activities, which is published in the Transition Plan and will be monitored. It enables the benefits of biodiversity actions to be measured and the most appropriate measures to be prioritised.  
This reinforces the strong link between biodiversity and climate change (77% and 33% respectively of the dynamic annual impact on land and water) and supports the relevance and continued ambition of Decathlon's Climate policy.  
In 2023, Decathlon recorded a reduction in the annual impact of its activities on biodiversity, as a result of the actions taken to combat global warming.  
This observation is subject to the limitations of the GBS tool for which we monitor critical reviews and the quality of the data used (source of critical reviews: <https://www.cdc-biodiversite.fr/documentation-gbs/>).

# 2.4

## RESOURCES AND CIRCULAR ECONOMY

PRODUCT ECODESIGN

ECONOMY OF USE

PRODUCT RECYCLING

OPERATIONAL WASTE MANAGEMENT

PERFORMANCE INDICATORS





# PRODUCT ECODESIGN

## Offering customers products with a lower impact



### 2023 HIGHLIGHTS

Decathlon continued working to make its environmental databases more robust, and is following the PEF 3.1 method to take into account the latest scientific advances.

The company has multiplied sales generated by products benefitting from an ecodesign approach by 3.7 since 2021, thanks in particular to advances in the ecodesign of textile products, metal products, footwear, and plastic and composite products.

Decathlon introduced a new framework to minimise its use of conventional materials and to switch to materials that help it reduce its environmental impact. These materials are considered “preferential”, since they have less of an environmental impact.

On 2 August 2023, humanity’s demand for ecological resources and services exceeded what Earth is able to regenerate in a year<sup>1</sup>. Earth Overshoot Day comes sooner and sooner each year, which means that Decathlon must help preserve resources.

Decathlon knows that 74.8% of its total environmental impact is generated by its products and that it needs to make its activities compatible with planetary boundaries. That is why it is accelerating its commitment to ecodesign its products and transform its offer to serve the circular economy (products that are durable, repairable, recyclable and traceable). **The company aims to generate 100% of its sales with products benefitting from an ecodesign approach<sup>2</sup> by 2026.**

KEY FIGURES as of 31/12/2023

**38.8%**  
of sales were generated  
with products benefitting  
from an ecodesign approach

23% in 2022

**63%**  
of polyester used  
is recycled or dope dyed

49.7% in 2022

**16.1%**  
of Decathlon own-brand  
products were qualified  
as repairable<sup>3</sup>

11% in 2022

## Accelerating the ecodesign strategy and offering more responsible products

Since 2020, Decathlon has been working hard to ecodesign more and more of its products. Several calls for projects launched over the past four years have enabled the company to **make investments to deploy technologies and explore new design solutions** (repairability, durability, etc.). These investments have contributed significantly to the increase in sales generated by products benefitting from an ecodesign approach. Sales have been multiplied by 3.7 since 2021, representing 38.8% of global sales in 2023 (10.4% in 2021)<sup>4</sup>.

Following these advances, two strategic areas of focus were defined in 2022 to increase efforts and reduce the company's overall environmental impact through its product offering and design:

- **Reduce the impact of products through ecodesign** (see p.107)
- **Transform the product offering to better serve the circular economy** (see p.114)

## Reducing product impact through ecodesign

### ENVIRONMENTAL ASSESSMENT

Since 2009, Decathlon has performed environmental assessments on its products, analysing their complete life cycle from the extraction of raw materials to their end of life. If the Group is to obtain the most exact calculation, it is essential to have an efficient tool, reliable calculation rules and representative databases. Once indicators have been calculated, they are used to identify the stages in the life cycle and the components having the greatest impact. Then, armed with this data, designers and buyers can make the best choices in terms of materials, processes and suppliers.

**This is why it is important to conduct environmental assessments on all Decathlon products and on the other brands sold by the Group. Today, more than 50% of the company's references, representing 97% of sales, have been assessed.**

Since 2021, Decathlon has relied on a specialised, external digital solution for its environmental assessments. It uses a reference database built on the Product Environmental Footprint (PEF) method developed under the control of the European Commission<sup>5</sup>. This tool standardises and weights 16 impact categories (climate change, water use, fine particulate emissions, etc.)<sup>6</sup> to provide a reliable and comparable score. As a result, **Decathlon's calculations of product impacts are now in line with the most advanced life cycle analysis (LCA) method in Europe.**

### Advances in 2023

In 2023, Decathlon continued its work to improve the reliability of its environmental databases to ensure assessments are as accurate a reflection as possible of the company's actual industrial processes. Two highlights for this year include:

- **Alignment of the databases with the latest PEF 3.1 method<sup>7</sup>:** Decathlon has updated the environmental data it uses to calculate product impacts in order to incorporate the latest scientific advances (e.g., including water consumed in production). Because this work was undertaken during the course of 2023, the new data will be used to calculate the company's 2024 carbon footprint
- **Improving the representativeness of data related to the dyeing process:** Thanks to projects aimed at measuring the water and energy consumption of certain suppliers<sup>8</sup>, Decathlon now has actual data from its supply chain to calculate the impact of this step in production

In 2023, some teammates continued using the digital tool to **identify the greatest environmental impacts, then propose priority redesign levers** for each product type. This work contributes to the continuous improvement process undertaken in defining products benefitting from an ecodesign approach, and has made it possible this year to identify new ecodesign criteria for tents, traditional bicycles, balls, cosmetics, hygiene products and maintenance products.

Along with these actions, the company is gradually encouraging other international brands (OIB) to carry out an environmental assessment of their products sold by Decathlon using common, scientifically-recognised methods. Initial pilot projects were conducted this year to share and apply common assessment standards.

### Participating in multi-stakeholder initiatives

**Externally, Decathlon is working alongside French institutions to advance environmental assessment at the European level.** Convinced that a common methodology for life cycle analysis needs to be established, the company supports the PEF method and continues to participate in Europe's Product Environmental Footprint Category Rules (PEFCR) for Apparel and Footwear<sup>9</sup> project. This project is coordinated by Cascale<sup>10</sup> and brings together a wide range of textile and footwear stakeholders. It is currently working to define common rules to measure environmental impact by product type.

Decathlon is also continuing discussions with French and European institutions to demonstrate the need for global governance of the databases used to calculate the impact of products sold on the European market.

1. For more information on Earth Overshoot Day: <https://www.overshootday.org/2023-calculation/>.

2. For more information on Decathlon's ecodesign criteria, see p.108.

3. With a repair solution.

4. More information on this performance on p.108.

5. For more information on the PEF (Product Environmental Footprint) method: <https://eplca.jrc.ec.europa.eu/EnvironmentalFootprint.html>.

6. For more information on impact categories: [https://ec.europa.eu/environment/eussd/smqp/pdf/EF%20simple%20guide\\_v7\\_clen.pdf](https://ec.europa.eu/environment/eussd/smqp/pdf/EF%20simple%20guide_v7_clen.pdf).

7. For more information on the PEF 3.1 method: <https://eplca.jrc.ec.europa.eu/LCDN/developerEF.html>.

8. More information on this project on p.83.

9. For more information: <https://pefapparelandfootwear.eu/>.

10. For more information on Cascale: <https://cascale.org/>.

DECATHLON CRITERIA FOR PRODUCTS BENEFITTING FROM AN ECODESIGN APPROACH

To ecodesign its products, Decathlon works on several categories of action such as product design, choice of material, transformation processes (dyes, etc.), durability, reparability and recyclability.

Decathlon uses dynamic ecodesign criteria, reflecting its continuous improvement strategy. The company adds to them over time, incorporating more ecodesign actions and the specifics of all product types as it takes new technologies, changing science and methodologies into account.

To be considered to have benefited from an ecodesign approach, a product must meet at least some of the following design criteria:

- **Common criteria**
  - **10% reduction in the product’s impact on at least two indicators** (including climate change CO<sub>2</sub> equivalent) with respect to the previous product (before ecodesign) and without a significant decline in other indicators. Decathlon has chosen to focus on certain key indicators: climate change, air pollution, fossil resource use and water eutrophication
  - **Durability:** A minimum 30% increase in lifespan compared to the lifespan of the same product family
  - **Repairability:** A repair solution exists for at least 80% of breakages and breakdowns<sup>11</sup>
- **Specific criteria:**
  - **Textiles – The product must meet at least one criterion on the list, for example:**
    - More than 70% of the product weight is made using recycled polyester
    - At least 30% of the product’s primary fabric is recycled cotton
    - More than 90% of the product’s primary fabric is organic cotton
    - Over 50% of the product weight uses a greige component<sup>12</sup>
    - Over 50% of the product is dope dyed<sup>13</sup>
  - **Footwear:** 25% of the product weight is composed of materials, or uses processes, that are less impactful (recycled cotton, recycled polyester, dope dyed, recycled rubber, etc.)
  - **Equipment – The product must meet at least two criteria on the list, for example:**
    - More than 40% of the product weight is made using recycled plastic
    - 10% reduction in the weight of the material used compared to an equivalent product fulfilling the same functions
    - At least 20% of the product weight is made of steel rather than aluminium
    - At least 20% of the weight of the foam component is made from recycled plastic

➔ **For more information on the definition of products benefitting from an ecodesign approach:** <https://sustainability.decathlon.com/our-ecodesign-approach-and-criteria>.

Thanks to the internal Greenbox<sup>14</sup> tool, **product engineers can accurately report the design choices made by type of action** (dyeing process, integration of recycled materials, etc.). This report can also be made not only at the product level, but at the model level as well, making it possible to quantify the actions taken on certain colours.

Advances in 2023

In 2023, Decathlon teams developed and validated new ecodesign criteria for tents, traditional bicycles, balls, cosmetics, hygiene products and maintenance products. The company also worked on new definitions for nutrition and backpacks, in particular. The ecodesign criteria for textiles, footwear and equipment will be updated in 2024.



Decathlon received external certification for its ecodesign approach this year through the AFAQ ecodesign assessment<sup>15</sup> conducted by France’s standardisation association (AFNOR)<sup>16</sup>. The assessment is based on five criteria:

- Management accountability and leadership
- Assignment of the sustainable creation strategy (ecodesign skills and techniques)
- Operational implementation
- Market launch and external communication
- Feedback to improve the future collection having benefited from an ecodesign approach

**Decathlon scored 713 points out of 1,000** as a result of this external audit conducted in October 2023, **earning it the “exemplary” level, which is the highest level of certification.**

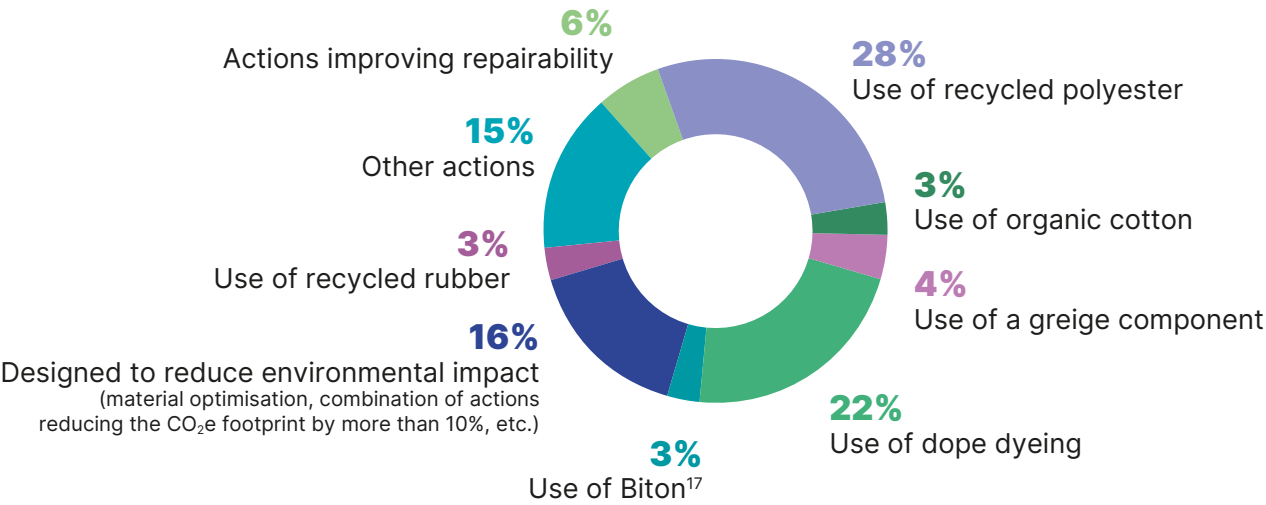
➔ 2023 PERFORMANCE

In 2023, **38.8% of sales was generated by products benefitting from an ecodesign approach** (23% in 2022). **This performance has been multiplied by 3.7 since 2021** (10.4%) and exceeded this year’s initial target of 35%. In 2023, over 500 million items benefitting from an ecodesign approach were sold (over 300 million in 2022). This progress can be attributed to:

- **the high motivation of design, production, procurement and retail teams**
- **strong acceleration on:**
  - **textile products** (including bags, tents, etc.), whose average share of sales from products benefitting from an ecodesign approach rose from 40% to 60% in 2023 (+ 20 points)
  - **products composed primarily of metal** (such as fitness equipment, but excluding bicycles), which increased from 38% of sales generated by products benefitting from an ecodesign approach in 2022 to 60% in 2023 (+ 22 points)
  - **footwear**, which rose from 16% of sales generated by products benefitting from an ecodesign approach in 2022 to 38.5% in 2023 (+ 22.5 points)
  - **advances made in plastic and composite products**, increasing from 9.5% of sales generated by products benefitting from an ecodesign approach in 2022 to 18% in 2023, despite challenges in accessing materials having less of an impact on the environment

There are also delays for bicycles due to very long design times and the use of components that are not designed in-house by Decathlon. Today, the goal is to focus on the parts having the greatest impact, such as frames, forks and rims, in order to implement ecodesign solutions for these products.

Breakdown of sales generated by products benefitting from an ecodesign approach, according to the action taken



CUSTOMER COMMUNICATION

To meet the environmental impact reduction objectives set out in its Transition Plan, the changes Decathlon makes must be accompanied by customer commitment to the product and service offering. The company is working to progressively display environmental data for its products to promote informed consumption and provide as much information as possible.

This year, the teams prioritised participating in various working groups in France and Europe to **help develop new regulations on environmental labelling**. In this changing legal context, Decathlon decided to no longer display an ABCDE rating (a system established by ADEME in 2019 and that has become obsolete), instead focusing on implementing environmental labelling based on the European PEF method. Similarly, the company proactively decided to update its ecodesign communication by replacing the “Ecodesign” logo by information without any visual marking. This change applies to all new content and is being phased out of existing content.

At the same time, and in redesigning its e-commerce site, **Decathlon developed a new insert for product sheets in 2023 that includes environmental data<sup>18</sup> and information relating to the ecodesign approach<sup>19</sup> for the product.** And, to help its customers better understand the approach, the company has added new information: the characteristic(s) of the approach, the nature and extent of the impact reduction and the comparison reference for each of the actions included in the ecodesign standard. This information will gradually be made available in all countries with the new Group website, which will be fully rolled out by 2026.

**In France, Decathlon’s goal is to make carbon footprint information available for 100% of Decathlon products by 2026<sup>20</sup>.** A reliable result could not be obtained on this objective in 2023 due to a technical problem that prevented environmental data from being displayed on product web pages, and to a database update requiring that current data be reprocessed.



13. In dope dyeing, the colour is added directly to the solution before extrusion to avoid the traditional dyeing process, which consumes large amounts of water. For more information: <https://sustainability.decathlon.com/our-ecodesign-approach-and-criteria>.

14. A digital solution that collects a product’s ecodesign data, guarantees its compliance and secures its communication.

15. For more information on the AFAQ ecodesign assessment: <https://certification.afnor.org/environnement/afaq-eco-conception>.

16. For more information on AFNOR: <https://www.afnor.org/en/>.

11. Excluding bicycles, for which this percentage is too low, considering their potential for repair is already very high.

12. Greige components are not dyed.

17. To reduce water consumption and the impact on water, Biton fabrics are made of two threads, only one of which is dyed. For more information: <https://sustainability.decathlon.com/our-ecodesign-approach-and-criteria>.

18. Available only in the UK as of 31 December 2023 for some visitors to decathlon.co.uk. This version will be available to the entire country in March 2024.

19. Available in eleven countries as of 31 December 2023: Belgium, France, Germany, Hungary, Japan, the Netherlands, Poland, Romania, Spain, Turkey and the UK.

20. Indicators related to this deployment will be gradually incorporated first in internal and then in external reporting.

THE ENVIRONMENT  
AT THE HEART OF INNOVATION

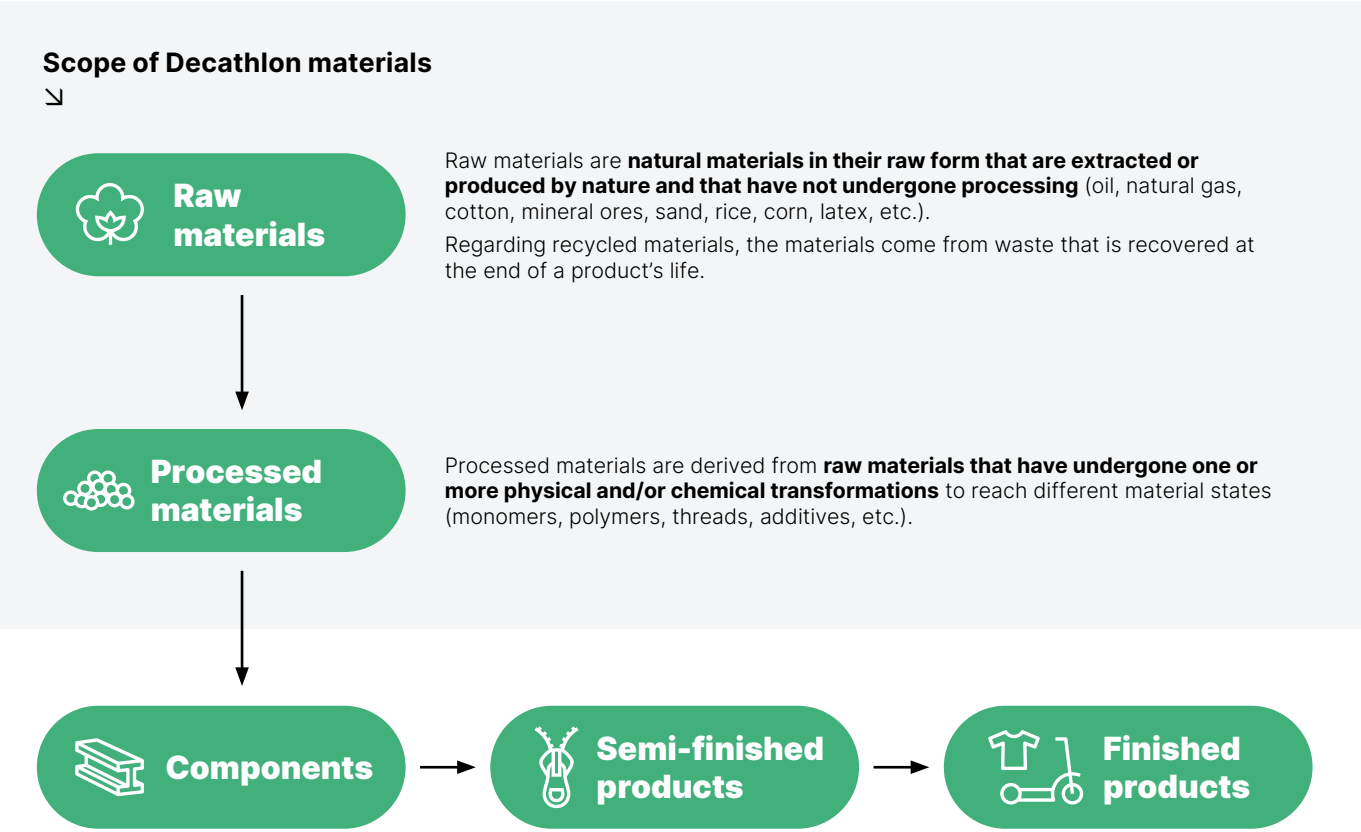
Innovation is part of Decathlon's DNA, and the company is working to continuously offer new solutions to its customers. The company holds a special event every year called Reveal Innovation to present its new products and reward the best innovations<sup>21</sup>. On 11 October 2023, 16 products were presented in four categories (design, technology, ecodesign and use). In addition to an ecodesign category showcasing products designed using materials and manufacturing processes that are less impactful and more durable, the teams for each of the pre-selected products were encouraged to present an ecodesign solution to maximise their chances of winning. This approach reflects Decathlon's commitment to offer products with an increasingly lower impact.



**The Yulex 100 wetsuit:  
Winner in the ecodesign category**

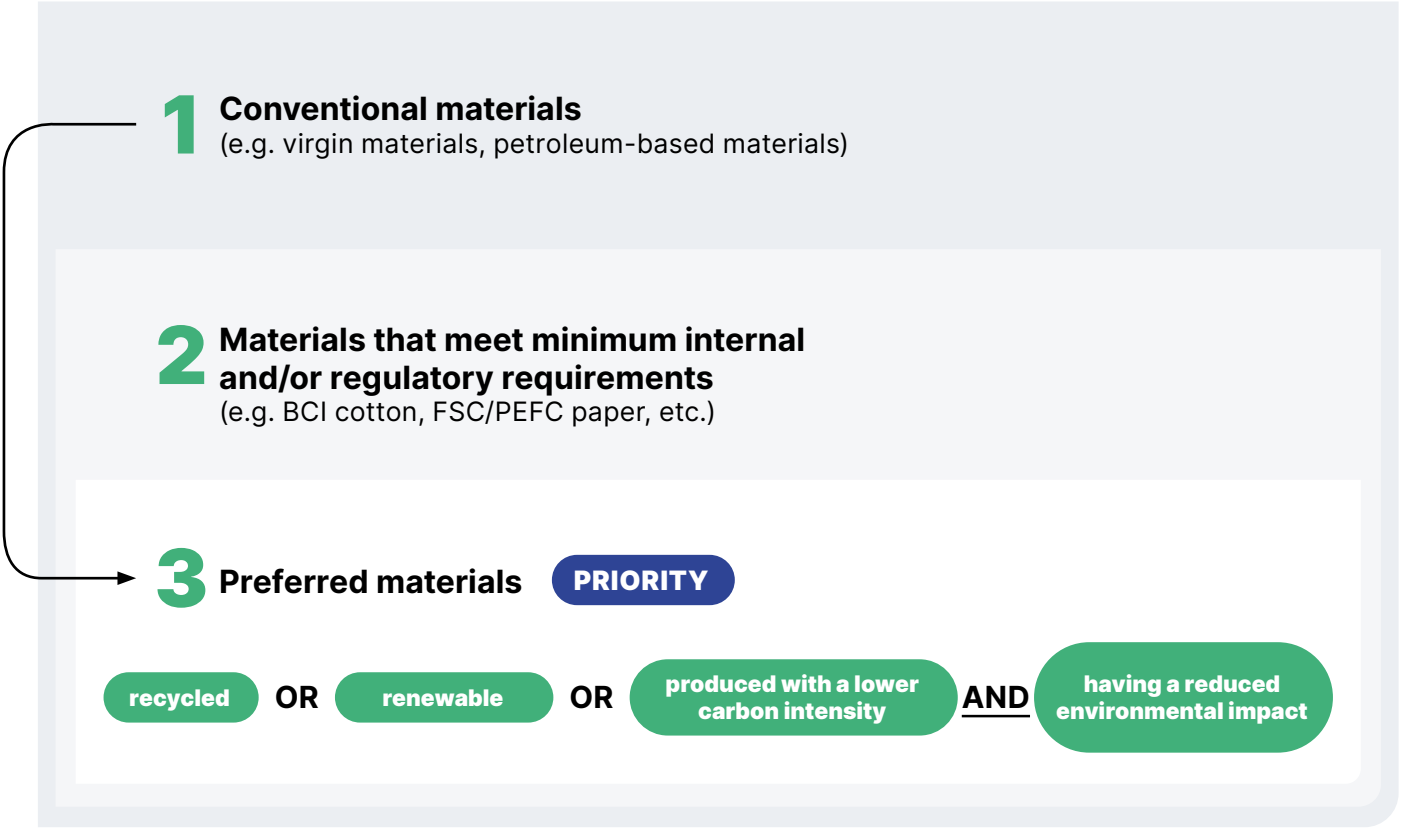
In 2023, the Yulex 100 wetsuit<sup>22</sup> was the winner in the ecodesign category. Co-designed with the Yulex company<sup>23</sup>, this wetsuit is made from natural rubber (sap from the hevea rubber tree) that is FSC and PEFC<sup>24</sup> certified. This is the first and only 100% natural rubber component used for water sports, avoiding the use of neoprene, which is a petroleum derivative. The approach reduces CO<sub>2</sub> emissions by 80% per kilogram of foam used compared to neoprene.

Choosing low-impact materials



Decathlon is looking to address the main environmental issues associated with the selection of its materials (raw and processed materials), from their country of origin to their incorporation in the products. To achieve this, the company has drawn up lists of criteria that must be followed so that the teams can commit to choosing suppliers and materials having less environmental impact.

In 2023, Decathlon introduced a new framework to minimise the use of conventional materials as far as possible and switch to materials that help reduce its environmental impact. These materials are considered "preferred" (see infographic below).



Because the company is involved in a continuous improvement process, the criteria Decathlon uses evolve over time. They are supplemented or modified over time to take account of new technologies and developments in science and methodologies.

This year, Decathlon began defining the exact criteria to define the concept of "preferred" material for **the five families of materials identified by the company as having the greatest impact in terms of quantities used<sup>25</sup> and CO<sub>2</sub> impact: metals (aluminium, steel and cast iron), textiles (natural and synthetic), paper, plastics and rubber**. Dedicated teams are responsible for deploying solutions and innovations for each of these materials, establishing the most appropriate partnerships and using two performance indicators: the percentage of preferred materials in products and CO<sub>2</sub> equivalent emissions avoided. Governance was also established in 2023 to monitor and improve the reliability of the proposed trajectories on these indicators by 2026.

**Materials traceability**

Decathlon has made material traceability a priority in its new business strategy. The Group aims to collect and guarantee the reliability of data related to the use and processing of raw materials throughout its product manufacturing chain. **The goal is to achieve robust traceability on the origin and composition of these materials by 2026.** To do this, Decathlon teams are growing and each industrial process defined its priorities and its own traceability policy in 2023. All of the work underway will make it possible to deliver the information expected by future European regulations (EU Ecodesign for Sustainable Products Regulation, EU Deforestation-free Regulation, etc.).

21. For more information on the Reveal Innovation event: <https://www.revealinnovation.com/>.  
22. For more information on the Yulex 100 wetsuit: <https://www.revealinnovation.com/laureates/decathlon-yulex-100-technology>.  
23. For more information on Yulex: <https://www.yulex.com/>.  
24. FSC: Forest Stewardship Council / PEFC: Programme for the Endorsement of Forest Certification schemes.

25. These five families of materials represent 90% of Decathlon's total consumption.

METALS

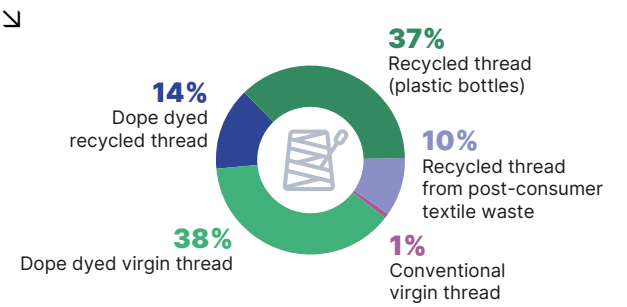
Decathlon uses materials such as aluminium, steel and cast iron in manufacturing its products. **The company focuses on using recycled materials** to avoid depleting mineral resources and reduce energy consumption during the transformation stages. At the same time, Decathlon is supplementing its supply with less impactful virgin metals manufactured using low carbon energies.

TEXTILES

Synthetic & polyester threads

**The percentage of recycled and/or dope dyed polyester used by Decathlon increased significantly from 49.7% in 2022 to 63% in 2023.** This is thanks to the thread production (processed material) combined with a decrease in the production of fabrics (components) due to large existing inventories of components and finished products.

Breakdown of the types of polyester threads ordered by the industrial process managing Decathlon synthetic fibres in 2023



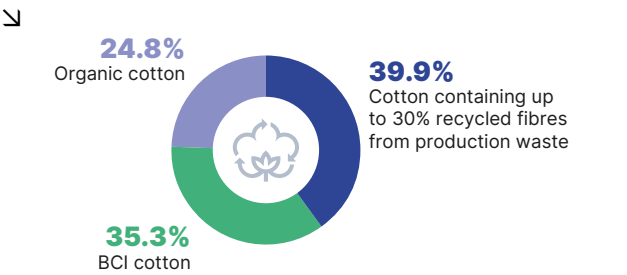
To provide an even broader offering of recycled threads, the company is working within alliances and partnerships aiming to put in place the most appropriate recycling technologies for its sources based on technical, environmental and economic aspects.

➔ More information on textile recycling on p. 120.

Cotton

In 2023, **100% of the cotton used by Decathlon came from alternative sources (containing up to 30% recycled fibres, BCI<sup>26</sup> or organic) to conventional cotton.** The share of recycled cotton used by Decathlon increased significantly this year (18.5 points higher than in 2022), confirming Decathlon's desire to gradually reduce its use of virgin cotton. Today, the teams continue working to improve material traceability and give cotton products a second life.

Breakdown of the types of cotton used to manufacture Decathlon products



Wool

A code of best practice was put in place in 2018 with breeding farms in South Africa, then extended to Uruguay and Argentina. Decathlon makes sure that breeders do not practise mulesing<sup>27</sup>, that their animals are raised in wide-open spaces, that their living and shearing conditions are good, and that animal welfare requirements are being followed<sup>28</sup>.

PLASTICS

The company aims first to **limit the use of virgin materials, so it encourages the use of recycled materials generated by mechanical processes** when manufacturing its products. If these processes cannot provide a sufficient level of performance, Decathlon will resort to using advanced chemical recycling solutions. However, these solutions are still under development and cannot yet be broadly used. At the same time, when virgin materials still need to be used for technical reasons, Decathlon uses conventional materials that are better controlled and less impactful, such as polypropylene.

Designing sleds containing 50% recycled plastic

In autumn 2023, after several years of work, Decathlon's design teams succeeded in designing **new adult and junior Trilugik sleds made of 50% recycled plastic**, without increasing their selling price. To avoid reducing the product's overall durability and considering the high mechanical stresses on sleds, 50% virgin plastic is still used in their manufacture. However, the company aims to increase the percentage of recycled plastic over the next few years. This ecodesign approach reduces CO<sub>2</sub> emissions by 4.5% for the adult sled and by 8% for the junior sled. In total, this represents a reduction of 116.6 tonnes of CO<sub>2</sub> equivalent for the 140,000 adult sleds available for sale for the 2023-2024 winter season and 36.4 tonnes of CO<sub>2</sub> equivalent for the 100,000 junior sleds. Baby adapters are being redesigned as well, with a new version that also contains 50% recycled plastic expected to be available for the 2024-2025 season.

PAPER

Decathlon uses various types of paper for its shipping boxes, in-store packaging and product instruction notices. The company prefers to use recycled materials over virgin fibres for packaging when strength criteria permit this.

To preserve ecosystems, the Group works with paper mills that guarantee responsible forest management. In 2023, **90% of the paper pulp<sup>29</sup> used by Decathlon for packaging was FSC and PEFC certified<sup>30</sup>** (90% in 2022).

The company also wants to reduce its carbon footprint by sourcing from eight paper mills it has selected. The mills produced 21% of the quantities used by the company<sup>31</sup> in 2023 and have energy performance and management systems (water treatment, air emissions and no landfill of waste) that are in line with its environmental commitments.

RUBBER

Decathlon uses natural and synthetic rubbers to manufacture shoe soles, bicycle tyres and inner tubes, and to a lesser extent, to manufacture yoga mats, balls and other sports equipment. To reduce its environmental impact and create greater social value, **the company is now working to control the origin of its materials and to use recycled rubber as much as possible, or bio-sourced rubber when no recycled alternative is available.** Since 2022, Decathlon has used a bio-sourced rubber<sup>32</sup> composed of silica<sup>33</sup> produced from rice husk combustion ash. Several of its suppliers use this process, which produces a less impactful raw material, while reducing the quantities of rice waste that conventionally generate soil pollution when they are not reused.

OTHER MATERIALS

Feathers

Decathlon works with suppliers that respect decent breeding conditions: no animal abuse, no force-feeding of geese and ducks and no live plucking. Since 2020, **100% of the feathers for garments and sleeping bags used by Decathlon's suppliers are certified under the Responsible Down Standard (RDS)<sup>34</sup>.**

Reducing material consumption through design

Since 2019, Decathlon has been developing Minimal Waste Design (MWD), an ecodesign method that reduces the consumption and waste (offcuts) of materials right from a product's design phase.

To achieve this, prior to production, the design teams:

- work simultaneously on the product's design, the shape of the pieces and their placement on the material
- compare multiple design solutions
- ensure a significant reduction in environmental impact

Originally created for textile products, the MWD method was adapted to industrial processes for gloves and neoprene in 2023, and explorations are underway for foam, bag and kite industrial processes. This year, 135 teammates in Albania, France, India, Italy and Morocco were trained in this method.

29. Paper pulp from the selection referenced by the Decathlon packaging team, 57,340 tonnes used in 2023.  
30. FSC: Forest Stewardship Council / PEFC: Programme for the Endorsement of Forest Certification schemes.  
31. Volume of paper from the selection referenced by Decathlon's packaging team.  
32. Bio-sourced materials are derived from renewable organic matter (biomass), of plant or animal origin.  
33. Natural form of silicon dioxide used to make rubber.  
34. The RDS label guarantees the protection of geese and ducks raised for the production of textiles containing down and feathers.

## Transforming the product offering to better serve the circular economy

### SELECTING PRODUCTS WITH A LOWER IMPACT

Decathlon wants to take its entire ecosystem into account to reduce the environmental impact of its product offering. This year, the company adopted a **new decision-support indicator** to analyse its offer by taking into account both the value generated and the carbon impact. By **calculating a product's margin in relation to the CO<sub>2</sub> emitted throughout its life cycle** (margin/CO<sub>2</sub>), teams can analyse and transform the offer to generate equivalent financial value with a lower environmental impact. In 2023, Decathlon's offering generated a total of €1.03 per kilogram of CO<sub>2</sub> emitted, a 4.4% improvement over 2022.

In 2023, the company continued exploratory work **to evaluate the carbon impact of other international brand products (OIB)** and to share common ecodesign benchmarks with 13 partner brands. This approach aims to converge towards a 100% evaluated offer and to invite partners to apply the same standards, in order to ensure Decathlon's offer is measured in a consistent and comparable manner for its own products, other international brands and products available on the Marketplace. Ultimately, this homogenisation work in evaluating the environmental characteristics of products will make it easier to cease production within the ranges on offer and ensure commitments are consistent.

### EXTENDING PRODUCT LIFESPAN

Decathlon has been working for several years on the design of its products in order to extend their lifespan. The objective of this approach is to incorporate durability (resistance, reliability, performance over time and timelessness) and repairability right from the product design phase.

#### Progress made on durability

Using the methodologies and related tests developed since 2020, durability criteria are now included in the definition of products benefitting from an ecodesign approach, through specifications. The database provides product engineers with a roadmap having clear criteria. A reference framework and durability standards are established based on this test-based design methodology, through the choice of more resistant components, for example.

In 2023, the network of referent engineers continued developing their skills, with training courses dedicated to durability. The network now has about 30 members responsible for creating reference frameworks for the different product types, particularly through the use of new tools. These frameworks ensure Decathlon can identify products that comply with the durability aspect, through four major steps:

- 1. Diagnosis** by the referent, who determines the causes of end of life and the frequency of recorded defects, and who decides whether to address the issue through durability or repairability. In 2023, 57% of the priority product types<sup>35</sup> were assessed
- 2. Test phases** validating the diagnosis
- 3. Interpretations of the results** that allow the construction of the reference framework
- 4. Conclusions** that are compiled and that lead to sustainable design rules

By using established reference frameworks, Sports design teams can make the necessary decisions when constructing their range and identify products that should be discontinued or improved. This year, frameworks were completed for the entire range of bodyboards, Stand-Up paddleboards, football goals and balls, surfboards, punching bags, climbing ropes, dome tents, water bottles, ice skates, elastic bands and table tennis rackets. Decathlon used 46 reference frameworks for its product lines in 2023.

Externally, Decathlon shares its research and conclusions with an AFNOR technical committee<sup>36</sup> called DUR-HABI that is working to establish a standard that will define durability criteria in 2024. Decathlon also belongs to a working group created by Carbone 4<sup>37</sup>, which aims to establish a methodology to calculate the carbon impact avoided thanks to product durability<sup>38</sup>. This new methodology will be available in 2024 and will allow the company to measure the emissions avoided through durability projects.

#### Progress made on repairability

Using the repairability index developed in France by ADEME<sup>39</sup>, **Decathlon has established criteria to define its products' repair potential.** For each product family, the following criteria need to be fulfilled for a product to be considered repairable:

- **Documentation is accessible**
- **Replacement parts are available**
- **The product can be disassembled**
- **The cost of repair does not exceed 30% of the purchase price**

Using these four criteria, and through extensive work to identify the most common defects for each of the product families, the teams were then able to define the percentage of breakages and breakdowns that are covered by a repair solution for each type. **For a Decathlon product to be considered as benefitting from an ecodesign approach<sup>40</sup>, 80% of the breakages and breakdowns related to the nature of the product must be covered.** A distinction is made between products with significant repair potential (such as bicycles) and products benefitting from an ecodesign approach that makes them more repairable than other products on the market.

Decathlon continued defining **reference frameworks for the 130 product types identified as priority products<sup>41</sup>**, i.e. establishing the criteria and thresholds to be reached by product engineers for each one. In 2023, a framework was devised to assess product repairability for 80 of these product types.

The company continues to implement actions on product repairability to reach the target of 100% of sales generated from products benefitting from an ecodesign approach by 2026. In 2023, Decathlon tested the design rules put in place to be used by product engineers for backpacks, certain inflatable products (paddleboards and kayaks) and certain textiles (jackets). Ultimately, the goal is to systematically use these rules for all priority product families.

In 2023, 450 product references were granted the "repairable ecodesign" qualification (6% of all products benefitting from an ecodesign approach).

➔ **Find out more about Decathlon's repair workshops on p. 118.**

### IMPROVING PRODUCT RECYCLABILITY

Decathlon aims to act on every part of its value chain to reduce its products' environmental impact. It is working to **better take into account product end-of-life and improve recyclability right from the design phase.**

Since 2021, several experiments have been conducted with various stakeholders from the recycling world (recyclers and producer responsibility organisations) to jointly create a product recyclability method and evaluation tool.

The objective of this index is to:

- **measure a product's recycling potential** (considering product composition and the potential presence of recycling disruptors) and **ensure that an industrial recycling sector exists**
- **simulate future designs** to help teams make informed choices to improve product recyclability

Decathlon conducted crushing and material sorting line tests on swimming goggles, skis and helmets as it continued its research into refining the criteria used in recyclability indices for the product families identified as priority<sup>42</sup>. In 2023, textile and footwear indices were launched for 60 references, establishing a framework for implementing design rules that will ultimately guide product engineers in their choices (materials, colours, assembly, etc.). These rules were tested this year for **PVC mattresses and bags** to verify whether this system can be applied to all product families.

To make engineers aware of product recyclability, Decathlon continued to offer an initial training level that was attended by 179 people in 2023. In 2024, two new training courses—textile recyclability and equipment recyclability—will be added to the catalogue available on the Decathlon University platform<sup>43</sup>.



#### MH120 fleece: A classic that is both recycled and recyclable

In 2023, Decathlon presented the new version of its MH120 fleece, which will be available for sale starting in 2024. **Made entirely of post-consumer recycled polyester from textile waste**, the fleece is also designed to be easily separable at the end of its life through Circular Stitch technology, in which the sewing thread is resorbed by heat (above 160°C). The polyester is then separated from its additives through chemical recycling so that it can be used to manufacture new garments.

➔ **Find out more about product recycling on p. 120.**

Work on product durability, repairability and recyclability can be combined and will improve the performance of Decathlon's products benefitting from an ecodesign approach. These elements also help **develop the economy of use, which requires more robust products that can be easily repaired** because of their longer use, and that must eventually be recycled efficiently. Therefore, criteria for these topics, with related specifications for product designers, focus entirely on serving alternative business models.

35. Product types are prioritised based on their carbon impact and their circularity potential.

36. For more information on AFNOR: <https://www.afnor.org/en/>.

37. For more information on Carbone 4: <https://www.carbone4.com/en>.

38. More information on avoided emissions on p. 53.

39. For more information on the ADEME repairability index: <https://www.ecologie.gouv.fr/indice-reparabilite>.

40. More information on the criteria defining products benefitting from an ecodesign approach on p. 108.

41. The product types are prioritised based on their carbon impact and their circularity potential.

42. Product types are prioritised according to their composition, the ease of separating materials, as well as their recyclability, durability and repairability potential.

43. More information on Decathlon University on p. 150.

# ECONOMY OF USE

## Developing a circular offering

To make its business compatible with planetary boundaries and closer to new consumer trends, while protecting the company's financial sustainability, Decathlon aims to transform its business model by accelerating its development of economies of use and functionality<sup>44</sup>. By scaling up services that emit fewer emissions (second life, rentals and repairs), the Group will be able to offer its customers multiple and alternative sports experiences, and facilitate access to sport.

Focusing on product use rather than ownership requires consideration and experimentation to ensure the product can be repaired, rented, resold or reused for as long as possible, and ultimately recycled if this is feasible. For a designer and distributor, this means rethinking the entire value chain in order to create sustainable value, while reducing the company's impact on the environment. Transformation can be achieved by thoroughly analysing customer needs and feedback.

### 2023 HIGHLIGHTS

Decathlon **continued developing its in-store buy-back system**, which is now available in eleven countries.

The monthly subscription rental offer continued to grow in popularity, with **more than 60,000 contracts signed in five countries in 2023** (20,000 in two countries in 2022).

Decathlon continued working to **increase the application of repair solutions internationally**.

KEY FIGURES as of 31/12/2023

**2.27%**  
from circularity sales  
(second life products,  
repairs and rentals)  
sold worldwide  
1.82% in 2022<sup>45</sup>

**0.55%**  
of global sales from  
second life products,  
1,021,374 Decathlon and  
OIB second life products  
sold worldwide  
0.25% of global sales  
and 731,482 products in 2022

**284,985**  
Decathlon product rentals  
(short-term, subscription,  
long-term)  
187,888 in 2022

**1,712** workshops,  
**3,739** technicians  
worldwide  
1,636 workshops and  
4,431 technicians in 2022

## Developing second life products

KEY FIGURES as of 31/12/2023

**116.5%**  
increase in sales vs. 2022

**43** countries  
offer second life products  
44 countries in 2022

Because circularity sales are now included in financial reporting, and in line with the transformation of the company's business model, the **development of product second life has continued within Decathlon**.

**A range of second life products is now available in 43 countries**, with more and more items being made available for resale and digitalisation becoming a way to encourage the development of the circular economy. This acceleration is occurring while respecting Decathlon's requirements.

**Articles made available for resale come with a legal warranty<sup>46</sup> and are inspected with the same level of quality as is applied to new products**, using detailed checklists that are being developed by the design engineers and are specific to each type of Decathlon product.

### SECOND LIFE PRODUCTS IN STORES

Areas dedicated to second life products are proliferating in Decathlon stores around the world, through redesigned merchandising, better team training with time dedicated to second life products, and improved customer communication (in-store corners, signage testing, etc.).

In 2023, Decathlon ended its biannual Trocathlon events, during which customers had been able to exchange their products for vouchers since 1986. This change can be explained by the company's desire to facilitate the customer experience through the **buy-back system**, which allows customers to **immediately repurchase products in stores at any time throughout the year**. In 2023, 51 product types were eligible for the in-store buy-back system.

## SECOND LIFE PRODUCTS ON MARKETPLACE

To develop second life products in its global offer, Decathlon is experimenting with various sales processes, especially on the Internet. Consequently, the company is adapting its value chain to centralise, recondition and make products available to information systems for sale on line.

Following an initial test conducted in France in 2021, **12 countries<sup>47</sup> now offer second life e-commerce products on Decathlon's Marketplace** (9 countries in 2022). In 2023, Marketplace generated €9.5 million in sales, representing 40,228 items sold (€4.6 million in sales and 24,843 items sold in 2022).

**Decathlon also wants to encourage its partners to develop their own second life offer**. Currently, 88 companies (nine in 2022) can sell their own reconditioned products on Decathlon's Marketplace in 13 countries<sup>48</sup>.

In this way, the Group is pursuing its digital and environmental transformation by making second life products increasingly accessible to its customers.

## THE BUY-BACK SYSTEM

The buy-back system allows customers to **sell their used sports goods directly**. This system is available in stores in Belgium, France, the Netherlands, Poland, Portugal and Spain. The model was also rolled out in Germany, Italy, Romania, Switzerland and the United Kingdom this year.

The buy-back offer continued to grow in 2023, concerning **over 100 product types** (20 in 2022) in fitness and body building, winter sports (skis and snowboards), water sports (canoes, surfboards and paddleboards), urban mobility (bicycles, scooters, skateboards and in-line skates), hiking equipment (tents, bags, hiking poles, warm jackets and textile equipment having a sales price of more than €35), golf, fishing, horseback riding, racket sports (tennis, padel and badminton) as well as hunting and shooting (textiles).

Service simplicity is fundamental in promoting the development of buy-backs. In Decathlon stores, customers can sell their products in exchange for a **voucher or direct payment to their bank account (in France since 2022)**. The products are then inspected and covered by a warranty<sup>49</sup>, allowing the new buyers to benefit from a money-back guarantee.



46. The legal warranty period for a remarketed product differs depending on local legislation.

47. Belgium, France, Germany, Great Britain, Italy, Poland, Portugal, Romania, Spain, Switzerland, the Czech Republic and the Netherlands.

48. Belgium, France, Germany, Great Britain, Hungary, Italy, Poland, Portugal, Romania, Spain and Switzerland, the Czech Republic and the Netherlands.

49. The warranty period differs depending on the country.

44. More information on the new business strategy on pp.28 and 29.

45. 2022 data was reprocessed to include the calculation of product rentals, which was automated in 2023.

## Expanding product rentals



Decathlon's testing in various areas to build strategic convictions based on experimentation and innovation means rentals are becoming a sustainable activity, thus enabling the company to rethink its business model. In 2023, the company offered two rental solutions: short-term rentals and monthly subscription rentals. Decathlon also continues to seek flexible solutions that are suited to customer needs in order to facilitate the adoption of consumption patterns with a reduced impact.

### SHORT-TERM RENTALS

**Short-term rentals come with a one-time payment, so customers can use Decathlon products for a few hours, a few days or an entire season.** This is especially suited to outdoor sports products<sup>50</sup>. **In 2023, this service was available in 17 countries<sup>51</sup>,** which are directly responsible for setting up an adapted local solution to ensure the smooth functioning of the service. This model grew strongly this year, generating more than €14 million in sales (€9 million in 2022).

### MONTHLY SUBSCRIPTION RENTALS

**Monthly subscription rentals offering increased flexibility (usually a minimum of three months) were available in five countries in 2023<sup>52</sup> (two in 2022).** This subscription model, which Decathlon has identified as a priority in its rental development strategy, continues to be rolled out, notably for children's bicycles.

This year, Decathlon France discontinued its subscription service for children's tennis rackets but continued monthly rentals for adult bicycles, weight lifting equipment and golf equipment. In 2023, Decathlon France also tested a home delivery service for fitness equipment (treadmills, elliptical bikes, rowing machines and exercise bicycles).

**In 2023, Decathlon's central services also worked on re-renting products after their first subscription rental.** Until now, all returned products have been sold as second life items. From 2024, thanks to the structuring and standardisation of the re-rental system, new countries in which monthly subscription rentals will be available will adopt this way of working. It will also be gradually rolled out in countries already offering the monthly subscription rental offer.

There was a significant increase in the number of monthly subscription rentals overall in 2023, with 60,000 contracts signed (20,000 in 2022) and an average customer satisfaction rating of 4.8/5. This rental model continued to grow this year, generating over €6 million in sales (€1.3 in 2022).

The company continues to study the offering, detailed conditions, customer experience, logistics and customer risk management of each rental model to determine the format that best matches customers' needs.

**The 2023 financial results for rentals confirm customers' growing interest in these services.** Thanks to encouraging growth in all countries, global rental sales reached €20.6 million this year (€12 million in 2022).

Decathlon's ultimate goal is to offer its customers an omnichannel and complete rental experience (choice of duration, level of commitment, products and associated services).

## Developing product repairs



### INTERNATIONALLY

Product repair is the cornerstone of Decathlon's circular economy approach, and lies at the heart of the development of a **business model that allows customers to increase the lifespan of their products** through a network of **1,712 in-store workshops and 3,739 technicians worldwide.** It will also play a major role in the future through the development of second life and rentals to guarantee product safety.

The development of maintenance and repair solutions worldwide relies on the skills of trained technicians, standardised operating procedures and the availability of tools and replacement parts. The network of "repairability-repair managers" at Decathlon's sports and repair departments provides all these resources.

Because repairability is considered right from the design phase, products can be repaired at Decathlon's store workshops or even by the customers themselves. So, backed by the expertise of workshop technicians, the sports and design teams are now working hard to meet Decathlon's commitment of 30% of products being repairable by 2026. These efforts helped improve the company's performance in 2023, with 16.1% of products being repairable as of 31 December 2023 (11% in 2022).

➔ **Information on product repairability is available on p. 114.**

**Thanks to the growing number of repairs made this year, 70.6% of products that are considered repairable actually were repaired in 2023, compared to 66.5% in 2022.** Note that the 2023 performance remains lower than the 2021 result (77.1%) due to the expansion of the offer of repairable products to include items having varying levels of repairability.

For repairs made directly by customers, an **after-sales service site with links to compatible replacement parts and explanatory tutorials** is available at <https://support.decathlon.fr> in 12 languages and in 13 countries. Technical support is also offered in nine countries, with experts guiding customers in their repairs (for bicycles, table tennis tables, electronics and fitness equipment) by email, telephone or video conference, depending on the country.

### FRANCE

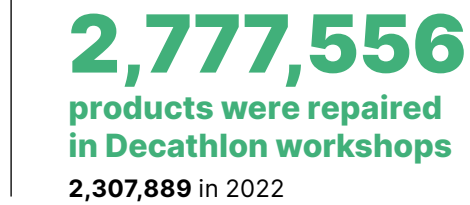
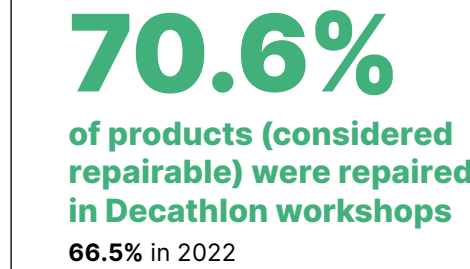
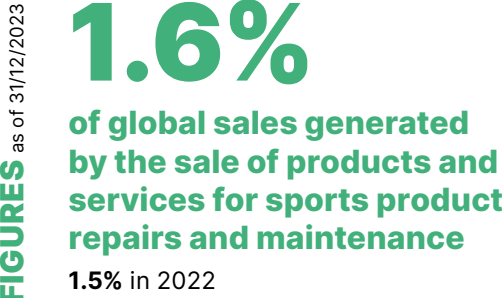
In France, 1,100 technicians at 320 in-store workshops and eight centralised<sup>53</sup> workshops repaired close to 1.5 million products that were either returned to their owner or sent to a second life or used product channel.

The workshop teams are aware that this approach must be considered globally and are now following a strategy that aims to:

- **hire 150 full-time technicians per year, to reach a total of 500 additional technicians by 2026**
- **develop skills** to ensure new products can be repaired, and support mobility, second life and rentals
- **certify stores according to criteria specific to Decathlon** (safety, workshop visibility, performance evaluation, etc.) to develop the quality of service at every customer contact point

To train young people in repair jobs and help recruit technicians, Decathlon France opened its apprentice training centre in 2022. At the end of that year, Decathlon hired 73 of the 126 first graduates on permanent contracts.

➔ **Information on Decathlon's apprentice training centre on p. 143.**



50. Winter sports (skis, snowboards and textiles from 2023), water sports, cycling, camping and trekking.  
51. Austria, Belgium, Croatia, France, Hungary, Italy, Mainland China, Morocco, Poland, Portugal, Serbia, Slovenia, Spain, Switzerland, the Czech Republic, the Netherlands and the United Kingdom.  
52. Belgium, France, Italy, Spain and the Netherlands.

53. Centralised workshops handle repairs that cannot be made in-store.  
54. With a repair solution.



# PRODUCT RECYCLING

## Inventing a new life for products



### 2023 HIGHLIGHTS

Decathlon increased the strategic importance of recycling in its business plan.

The Group continued its testing and involvement in various European consortia to develop new technologies and find recycling channels for its sports goods.

As it is subject to Extended Producer Responsibility (EPR)<sup>55</sup>, particularly for Sports and Leisure Goods (SLG), Decathlon France installed collection bins in 100% of its stores covered by French national legislation in 2023.

In its circular economy approach, Decathlon is committed to reducing its environmental impact at every stage of the product life cycle. The company facilitates the recycling of its sports equipment that is no longer suitable for use at the end of its life. Decathlon is working to find new technological solutions and to adapt recycling channels for sports goods in order to ultimately increase their recycling rate.

KEY FIGURE as of 31/12/2023

89.6%

of the products marketed by Decathlon France are subject to Extended Producer Responsibility 87.9% in 2022

## Developing sports goods recycling

### DECATHLON'S STRATEGY

Given the importance of, and multiple issues related to, recycling sports goods, Decathlon decided to increase the strategic importance of this subject in its business plan in 2023. The Group put its teams to work at every level of its organisation and along its entire value chain, focusing on four pillars:

1. Working on new, less impactful sources for the raw materials most commonly used by Decathlon, prioritising textiles (cotton, polyester, and polyamide), rubber and plastic (PVC) originating from end-of-life products
2. Designing a recyclable offer, starting with textile products, footwear, inflatable products and helmets
3. Constructing an efficient ecosystem of partners (collectors, sorters and recyclers) so the sector's challenges can be met together, by implementing the sorting, disassembling and recycling technologies (mechanical, thermal and chemical) that are most suitable in technical, environmental and economic terms
4. Creating value through recycling and by reducing CO<sub>2</sub> emissions

Using this strategy, Decathlon aims to grow the recycling sector by working closely with the sector players. For the various materials and priority products, it aims to progressively create pre-industrial and then industrial flows so that the company will eventually be able to incorporate recycled materials from end-of-life products into production, thereby reducing its environmental impact.

### RECYCLING TEXTILE PRODUCTS

#### Participating in consortia and partnerships

Decathlon is conducting feasibility tests with many partners and is joining consortia to work collectively to tear down existing technological barriers (access to sources, sorting, disassembling, etc.). For example, the company participates in the CISUTAC<sup>56</sup> and SCIRT<sup>57</sup> projects that are co-financed by the European Union. Since 2022, Decathlon has been involved in the ReHubs initiative<sup>58</sup> launched by Euratex, the European Clothing and Textile Confederation. Through its commitment to this initiative, the company has joined the "Transform Textile Waste into Feedstock"<sup>59</sup> project and in 2023 it contributed to the development of a new study to identify future technologies required for automatic product sorting and disassembling in order to prepare the materials for recycling.

Until these new industrial technologies become available, Decathlon is assisting its partners in accessing sources of materials by recycling post-consumer textile waste that is sorted and disassembled manually by collectors.

In the short term, this support makes it possible to determine what is necessary to build the factories of tomorrow and structure the sector. These joint ventures also enable Decathlon to identify new design methods and rules to increase its product recyclability.

56. For more information on the CISUTAC project: <https://www.cisutac.eu/>.

57. For more information on the SCIRT project: <https://scirt.eu/>.

58. For more information on ReHubs: <https://www.rehubs.eu/>.

59. For more information on the Transform Textile Waste into Feedstock project: <https://www.texaid.ch/en/media-press/news/details/transform-textile-waste-into-feedstock-1180.html>.

60. Materials from end-of-life textiles used by consumers and that cannot be reused through second-life sales.

61. Materials from production waste (e.g., off-cuts prior to assembly).

62. For more information on this experiment, see NFRD 2022, p. 120.

63. Domyos: Decathlon brand dedicated to fitness.

64. Quechua: Decathlon brand dedicated to hiking.

65. Centre created by the ESTIA engineering school and the European Centre for Innovative Textiles (CETI). For more information on CETIA: <https://cetia.tech/home-en/>.

Note that this strategy of integrating post-consumer recycled materials<sup>60</sup> complements the actions taken by Decathlon over the past three years to incorporate post-industrial textile materials<sup>61</sup> into its production.

### Mechanical recycling of cotton

In this context, Decathlon is continuing its work on the mechanical recycling of cotton. Following the experiment<sup>62</sup> conducted in 2022 with the Domyos brand<sup>63</sup>, which aimed to produce knitted items using post-consumer textiles, new partnerships were launched with European shredders and spinners to test this recycling method on an industrial scale in 2023. Today, 160,000 Domyos T-shirts composed of 30% post-consumer waste are in production and will be available in stores for the Spring-Summer 2024 collection. This project represents a first step in generalising cotton recycling in coming years.

### Chemical recycling of polyester and polyamide

Decathlon wants to create an expanded offer of recycled threads and develop these initiatives for other types of fabric in order to offer products that have less impact on the environment. The company is aware of the importance of supporting recycling sectors in their transformation, so it has also been working on alternative and complementary solutions since 2019, using chemical recycling solutions to process products with technical compositions (mixed materials, etc.). For example, in the past several years, Decathlon has identified partners able to offer recycled polyester made from end-of-life textile products with a complex composition. A first experimental capsule collection is now in production, with 5,000 Quechua<sup>64</sup> fleece garments composed of 100% recycled textile waste expected to be available for sale in stores by autumn 2024. The objective of this test is to confirm the technological feasibility of chemical recycling on a large enough scale to enable Decathlon to exploit this technology on a broad scale, in collaboration with its industrial partners.

In line with its goal to replace virgin materials with recycled ones, Decathlon also launched research in collaboration with external stakeholders in 2023 to identify recycling solutions dedicated to recovering polyamide.

### Recycling footwear

In 2023, in partnership with several other sector brands, Decathlon continued its participation in one of the first industrial innovation programmes of CETIA<sup>65</sup>, a technological centre dedicated to textile and footwear recyclability in France. The goal of this programme is to develop a technology to automatically disassemble shoes so that the soles can be recovered and every element can be recycled separately.

Automation would accelerate the development of the industrial footwear recycling channel, which continues to be held back by the high cost of manual disassembly. Using a complementary technology that automatically identifies and sorts products, recycled materials could then be incorporated in open- or closed-loop production. This year, a fully automated demonstration line capable of processing 2,000 shoes per day was installed on the CETIA premises in a dedicated area of 1,200 m<sup>2</sup>. Decathlon now has access to this demonstration line two days per month, enabling it to identify the specific disassembly parameters for each of its shoe types. Since July, 2,500 Decathlon shoes have been processed.

55. For more information on Extended Producer Responsibility: <https://www.ademe.fr/expertises/dechets/elements-contexte/filieres-a-responsabilite-elargie-producteurs-rep>.

Recycling PVC air mattresses

➔ **More information on Decathlon's actions to reduce its impact related to the use of plastic is available on p. 85 and the ecodesign of its products on p. 106.**

From design to end-of-life, Decathlon works to reduce the environmental impact of air mattresses that have a higher return rate than other products, given the fragility of inflatable items. Alongside new work to improve material strength, increase lifespan and find repair solutions, teams have been working to improve recycling for the past three years. Until now, there was no recycling channel for these products, which were instead systematically burned or buried. Today, recycling continues to be one of the only ways to reduce the environmental impact of PVC air mattresses, given the current unavailability of ecodesigned or recycled materials in the flexible PVC sports goods sector. Based on these observations, Decathlon launched tests in 2020 to work with a recycler able to process these products and organise internal reverse logistics flows to centralise collected air mattresses in warehouses.

**In 2023, nearly ten tonnes of defective mattresses were disassembled and mechanically recycled. In this way, Decathlon continues its work to offer the first products made from recycled air mattresses in partnership with two external partners.** A project to produce clogs is currently underway: disassembled and crushed mattresses are used in a PVC formulation for soles in the form of new pellets containing 40% recycled PVC, which Decathlon then injects directly into its production. A first capsule collection of about 10,000 pairs of clogs containing this recycled PVC in the soles will be on sale in early 2024.

**At the same time as this recycling project, the teams worked on redesigning air mattresses to improve their recyclability by replacing the polypropylene valve with a PVC one.** The goal is to move towards a mono-material product that is easier to recycle. 2023 therefore saw a new valve that will allow mattresses to be recycled with no need for manual disassembly. A commercial test will be conducted by the Quechua brand in 2024.

➔ **More information on recyclability actions on p. 115.**

Implementing Extended Producer Responsibility in France

Sports and leisure goods, textiles and footwear, electrical and electronic equipment, furniture, etc: many products in France are now subject to Extended Producer Responsibility<sup>66</sup> (EPR). Under EPR, Decathlon is required to pay an eco-contribution for every item of this type that is sold, in order to finance their end-of-life treatment.

SPORTS AND LEISURE GOODS

In 2023, one of the priorities of the Decathlon teams responsible for recycling issues was to continue implementing **Extended Producer Responsibility for Sports and Leisure Goods (EPR-SLG)**. This legislation came into force in January 2022 and requires that all companies designing and distributing these types of articles on the French market contribute financially to the management of the products' end-of-life. This is a virtuous legal mechanism that encourages manufacturers and marketers to commit not only to collection, reuse and recycling phases, but also right from the product design by improving repairability and recyclability.

After participating in the co-construction process of this new channel<sup>67</sup>, Decathlon is now maintaining its commitment by participating in working groups dedicated to collection, repair, recycling and eco-modulation<sup>68</sup>.

Since 1<sup>st</sup> January 2023, 100% of French stores are required to collect sports equipment. **This year, Decathlon finished installing collection bins at all of its 313 stores affected by the legislation.**

**In 2023, Decathlon collected 363 tonnes of sports equipment** with the following results:

- 60% material recycling<sup>69</sup>
- 33% incineration with energy recovery
- 7% reuse

As a circular economy player, **Decathlon is now authorised to give a second life (reuse or recycling) to items dropped off by customers in stores.** In 2023, a first test was conducted to determine the time needed to characterise seven product categories (air mattresses, tents, backpacks, neoprene wetsuits, helmets, climbing and mountaineering ropes, and fins) originating from items collected in stores, in order to study the recycling opportunities.

To meet EPR-SLG challenges and prepare teammates, training modules have also been underway since 2022. Store employees have to adopt new habits, understand the flows and be able to assist customers when they voluntarily drop off their used products. **In 2023, 148 teammates at 113 stores received training via videoconferencing.** More sessions will be held in 2024 to ensure that at least one person is trained on the subject at every store in France.

In line with continuing actions taken to implement EPR-SLG, **Decathlon is now sharing its experience at the European Union level** to help establish equivalent systems in other Member States.



OPERATIONAL WASTE MANAGEMENT

Making waste valuable



2023 HIGHLIGHTS

In France, **Decathlon strengthened its collaboration with its service providers to improve the reliability of its data reports** and create a solid basis for comparison. This will make it possible to identify and adapt leadership needs more precisely.

In 2023, the company found a new way to limit food waste by **using RFID (Radio Frequency Identification) technology to better manage the expiry dates of its consumable products.** China is the first country to implement this process, which will eventually be extended to Europe.

Decathlon continued its association with World Cleanup Day to raise awareness and involve citizens in waste management. The activities organised by participants led to the total **collection of 40 tonnes of waste.**

KEY FIGURES as of 31/12/2023

**103,361**  
tonnes of waste generated by Decathlon sites<sup>71</sup> worldwide

106,007 in 2022

**57%**  
waste recycled from stores and warehouses

58% in 2022

**63%**  
waste recovered from stores and warehouses

62% in 2022

66. For more information on Extended Producer Responsibility: <https://www.ademe.fr/expertises/dechets/elements-contexte/filieres-a-responsabilite-elargie-producteurs-rep>.

67. Alongside Ecologic, the authorised eco-organisation in this sector, Union Sport et Cycle and its members as well as social and solidarity economy organisations.

68. An incentive system gradually introduced for EPR channels allowing the financial contributions that marketers pay eco-organisations to be modulated based on environmental performance criteria of the product concerned (bonus-malus system).

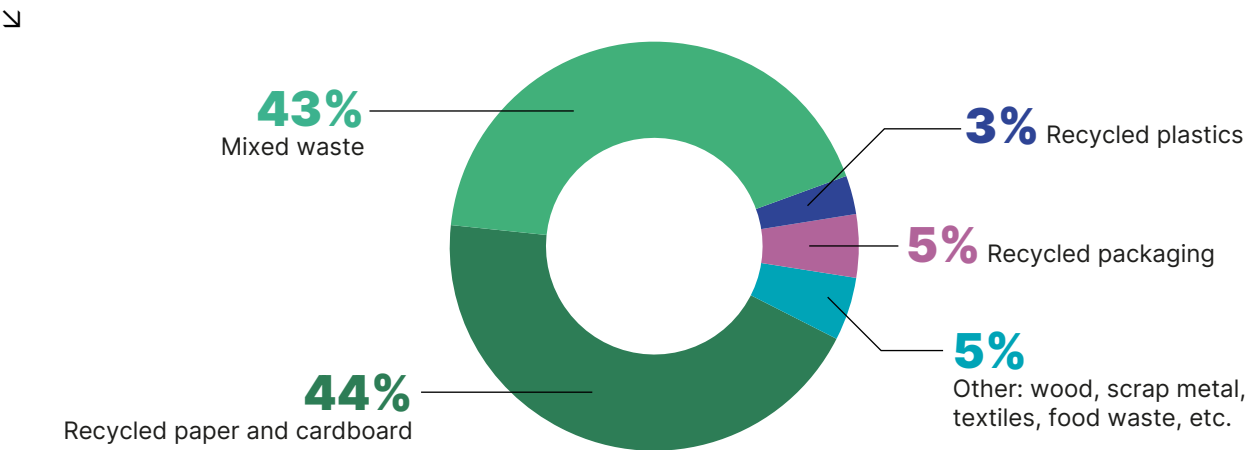
69. Recycled materials (iron, aluminium, plastics) can be used to produce new sports and leisure goods, building frames and automotive parts. Following this first year of collection, outflow analysis is underway. The objective is to precisely characterise the recycling undertaken and to perform increasingly precise monitoring.

70. Recovery: The use of waste to replace other materials or substances, including energy recovery and reprocessing into materials for use as fuel.

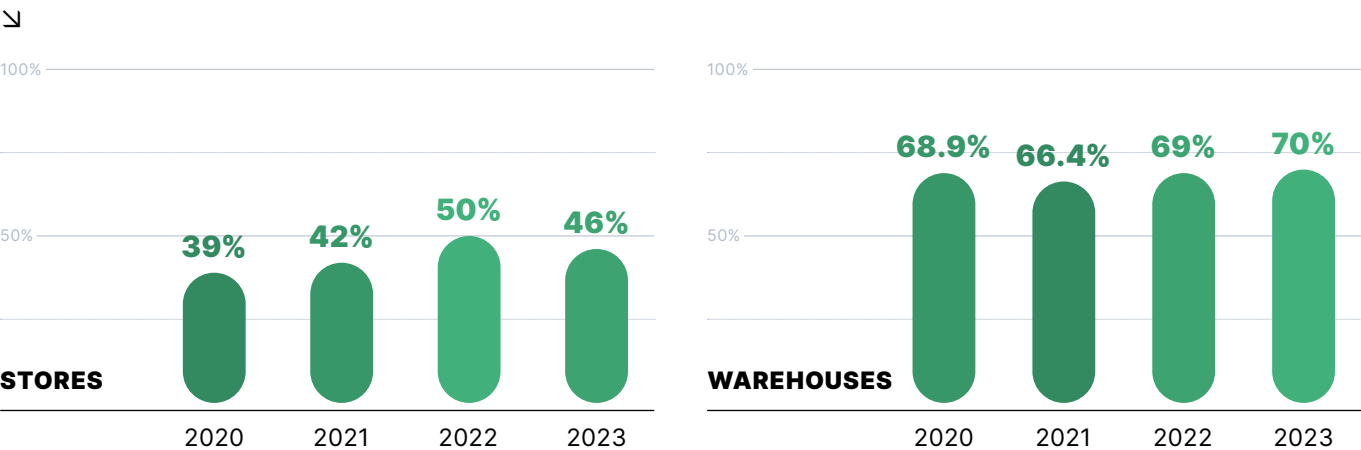
71. Sites include company-owned stores and warehouses as well as sub-contracted warehouses.

Sorting and recycling waste in stores and warehouses

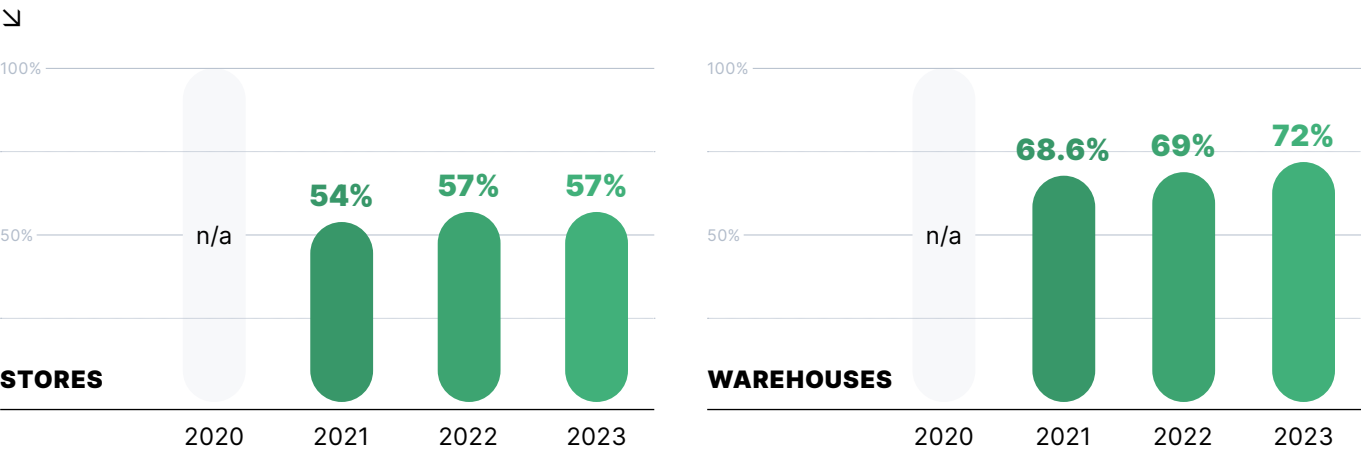
Types of waste recycled by Decathlon sites worldwide  
Decathlon-owned stores and warehouses, subcontracted warehouses  
as of 31/12/2023



Evolution in recycling rate for waste sorted by the teams  
Decathlon-owned stores and warehouses, subcontracted warehouses  
as of 31/12/2023



Evolution in the waste recovery rate  
Decathlon-owned stores and warehouses, subcontracted warehouses  
as of 31/12/2023



Prioritising and sorting waste in France

Decathlon France has expanded its waste management policy since 2020 through a number of experiments to improve waste qualification and therefore recovery performance.

**This work on waste begins with major awareness-raising and training on sorting for all store employees** (243 people have been trained online). Leading on these topics helps to shed light on the issues that must be addressed to fully understand sorting and to highlight its impact on the store's direct budget. Training is reinforced for operations managers through individual in-person coaching (56 people trained in 2023).

At the same time, **2023 was devoted to improving the reliability and standardisation of data** provided by new collection providers. This ensures the information is comparable from one year to the next and allows Decathlon to better target efforts that need to be made to manage the entire sorting chain.

Fighting food waste

PARTNERSHIP WITH TOO GOOD TO GO

Because of the nature of its activities, Decathlon's exposure to the risk of food waste is low. Nevertheless, Decathlon and its partner Too Good To Go<sup>72</sup> have set up a process to collect all sports nutrition products, such as cereal bars. **The principle is simple: food products nearing their expiry date (Best Before date) are removed from store shelves and repacked as baskets of goods.** Then, users of the Too Good To Go app can purchase these baskets in store for a third of the original price of the items. The goal is to sell the stocks before they become out of date and have to be thrown out.

Under the partnership, this initiative was first deployed in Europe, with seven Decathlon countries now proposing this offer<sup>73</sup>. **In all, 21,656 baskets of goods were saved by 530 stores in 2023**, down 13% from 2022. This partnership aims to reduce quantities put on sale as much as possible, reflecting better stock management, good continuous training of teammates and minimised risk of waste.

RFID TECHNOLOGY

Decathlon is also innovating to limit food waste through improved product traceability and the use of new technologies. In 2023, China became the first country to **manage its products' expiry date using RFID (Radio Frequency Identification) technology** by pairing the item's unique identifier with some of its characteristics. **This enables teammates to automatically track and identify products nearing their expiry date during inventories**, allowing in-store managers to take the necessary commercial measures to sell off stocks and anticipate risks of losses. Thanks to this technology, Decathlon China also limits risks for customers by ensuring that **only healthy and consumable products are available for sale in stores.**

2023 saw work on improving **data reliability** to determine the direct impact of RFID traceability on food waste in China. In the long term, the goal is to **expand the use of this technology to Europe.**

Raising awareness of waste sorting with World Cleanup Day

As an international company, Decathlon wants to support its customers' and employees' commitment to protect the environment. **Every year since 2018, the Group has participated in World Cleanup Day**, an initiative led by the NGO Let's Do It World<sup>74</sup>. On this day, all countries in which Decathlon is present are encouraged to hold local events to invite their customers and employees to contribute to the collective effort, and to raise their awareness of sustainable development challenges.

On 16 September 2023, **85,100 people** (customers and teammates) participated in events held by Decathlon that combined sport and environmental awareness (20,000 in 2022). On this day, **366 tonnes of waste** were collected (50 in 2022) in **46 countries** (37 in 2022).



72. For more information on Too Good To Go: <https://next.toogoodtogo.com/en-gb>.  
73. Countries concerned in 2023: France, Poland, the Netherlands, Spain, Italy, Portugal and the United Kingdom.  
74. For more information on Let's Do It World: <https://letsdoitfoundation.org/>.

# PERFORMANCE INDICATORS

| ECODESIGN SALES                                                         | 2022                                                                     | 2023             |
|-------------------------------------------------------------------------|--------------------------------------------------------------------------|------------------|
| ECODESIGN PRODUCT SALES                                                 |                                                                          |                  |
| % of sales generated by products benefitting from an ecodesign approach | <div><div>VERIFIED INFORMATION</div><div>mazars Audit</div></div> 23.03% | 38.80% (Note 68) |

NFRD 2023 methodological notes

**Note 68:** In 2023, 38.8% of Decathlon's annual sales were generated by products benefitting from an ecodesign approach, compared with its target of 35% (i.e. 3.8 points more than its set target). Since 2021, this share has been multiplied by 3.7, rising from 10.4% of sales in 2021 to 38.8% in 2023. In volume terms, this represents €7.1 billion (including taxes) over the year (an increase of €3 billion compared with 2022) and more than 500 million ecodesigned articles sold (+300 million compared with 2022). As in the previous year, this performance was driven by "textile" products, with the average share of sales generated by ecodesigned products rising from 40% to 60% (an increase of 20 points). Access to technology combined with a high international availability of raw materials has enabled the acceleration initiated in previous years to be maintained.

There has also been significant growth in "metal" products (excluding bicycles) such as fitness equipment and "footwear" products, which have risen from 38% in 2022 to 60% in 2023 (up by 22 points) and from 16% to 38.5% (22.5 point increase) respectively. To a lesser extent, Decathlon has managed to increase the share of plastic and composite products benefitting from an ecodesign approach, despite the technical difficulties encountered with these types of products. Lastly, performance on "cycling" products remains at a lower level (6.5%), and work is underway to increase the proportion of ecodesign cycling products.

Decathlon aims to achieve a 50% share of this indicator by 2024, with the ambition of reaching 55%.

| RAW MATERIALS                                                                                                    | 2022          | 2023            |
|------------------------------------------------------------------------------------------------------------------|---------------|-----------------|
| TEXTILE   COTTON                                                                                                 |               |                 |
| % of cotton used for Decathlon products from alternative sources to conventional cotton (from 01/01 to 31/12):   | 100%          | 100% (Note 69)  |
| → % of BC cotton (Better Cotton)                                                                                 | 64.5%         | 35.3%           |
| → % of cotton from organic farming                                                                               | 14.1%         | 24.8%           |
| → % cotton with up to 30% recycled fibre from production waste                                                   | 21.4%         | 39.9%           |
| Tonnage of cotton used for Decathlon products from sources other than conventional cotton (from 01/01 to 31/12): | 27,479 tonnes | 19,426 tonnes   |
| → Tonnage of BC cotton (Better Cotton)                                                                           | 17,723 tonnes | 6,862 tonnes    |
| → Tonnage of cotton from organic farming                                                                         | 3,883 tonnes  | 4,813 tonnes    |
| → Tonnage of cotton containing up to 30% recycled fibre from production waste                                    | 5,873 tonnes  | 7,751 tonnes    |
| TEXTILE   POLYESTER                                                                                              |               |                 |
| % of recycled and/or dope-dyed polyester used by Decathlon (from 01/01 to 31/12)                                 | 49.7%         | 63% (Note 70)   |
| Tonnage of recycled and/or dope-dyed polyester used by Decathlon (from 01/01 to 31/12)                           | 41,610 tonnes | 41,382 tonnes   |
| PACKAGING                                                                                                        |               |                 |
| % of materials used for packaging from sources with a lower environmental impact (from 01/01 to 31/12)           | 92%           | 92.3% (Note 71) |
| % of paper pulp used in packaging that is FSC or PEFC certified (from 01/01 to 31/12)                            | 90%           | 90% (Note 71)   |

NFRD 2023 methodological notes

**Note 69 :** Decathlon continues to offer its users 100% cotton from alternative sources to conventional cotton: 35.3% from the Better Cotton initiative, 24.8% organically grown cotton and 39.9% recycled cotton from pre-consumer waste (waste generated during the manufacturing process). In 2023, the aim was to increase the percentage of recycled cotton used in Decathlon products by 10 points compared to 2022. The company has achieved this objective and even exceeded it by 8 points (+18 points vs. 2022). The teams are continuing their work to improve the traceability of the cotton used and give a second life to cotton-based products. Note that Decathlon has confirmed its desire to pursue its commitment to cotton circularity.

**Note 70:** The polyester yarns taken into account in the detailed calculation are: "classic" dope-dyed virgin polyester, recycled polyester and dope-dyed recycled polyester. Despite a difficult first half in terms of yarn orders due to the slowdown in store sales and the presence of large stocks of finished products and components, yarn purchases gradually increased in the second half. The integration rate increased, mainly due to the significant reduction in Decathlon's total yarn consumption. The integration rate is the ratio of yarn quantities controlled by the SYP (Synthetic Yarn Process) industrial teams to total yarn consumption.

**Note 71:** The scope for the indicator "% of materials used for packaging from sources with a lower environmental impact" includes: sales packaging intended for customers, sales packaging used for in-store display, hangers, transport cartons, plastic transport bags, e-commerce packaging (plastic bags and cardboard boxes), with the exception of packaging used for food, cosmetics and household products.

Store bags (shopping bags, paper bags), gift wrap and packaging from other international brands (not Decathlon) are excluded.

As the measurement methodology for these different indicators (percentage of materials used for packaging from sources with a lower environmental impact and percentage of paper pulp used in FSC- or PEFC-certified packaging) is based on numerous extrapolations and assumptions, the figures reported must be analysed with relativity. Every year, the Packaging teams take action to refine the quality of their data and build the most rigorous reporting framework.

In 2023, paper pulp is the only material considered as packaging from sources with a lower environmental impact for Decathlon. The "% of materials used for packaging from sources with a lower environmental impact" therefore corresponds to the proportion of paper pulp in the total materials used.

The target for FSC/PEFC paper pulp used in packaging was not met in 2023 (90% against a target of 95%).

Once again this year, the reduction in the use of single-use plastic has encouraged the use of more sustainable materials in packaging. As efforts to reduce plastic continue, the proportion of paper and cardboard used in packaging has naturally increased.

Decathlon is also continuing to implement its action plan to reduce the environmental impact of its paper consumption by encouraging the use of paper manufacturers who are committed to continuous improvement of their water, air and soil management systems.

| CIRCULAR SALES                                                                                                     | 2022                                                                    | 2023            |
|--------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-----------------|
| CIRCULAR SALES                                                                                                     |                                                                         |                 |
| % of circular sales (second life, workshops, rental) - World:                                                      | <div><div>VERIFIED INFORMATION</div><div>mazars Audit</div></div> 1.82% | 2.27% (Note 72) |
| → % of sales generated by second life products - World                                                             | 0.25%                                                                   | 0.55%           |
| → % of sales generated by the selling of products and services for the repair and maintenance of products - World  | 1.50%                                                                   | 1.61%           |
| → % of sales generated by product rental - World                                                                   | 0.07%                                                                   | 0.11%           |
| Quantity of Decathlon & OIB second life products sold worldwide                                                    | 731,482                                                                 | 1,021,374       |
| % of circular sales (second life, workshops, rental) - France:                                                     | <div><div>VERIFIED INFORMATION</div><div>mazars Audit</div></div> 3.01% | 3.71% (Note 72) |
| → of sales generated by second life products - France                                                              | 0.51%                                                                   | 0.97%           |
| → % of sales generated by the selling of products and services for the repair and maintenance of products - France | 2.45%                                                                   | 2.62%           |
| → % of sales generated by product rental - France                                                                  | 0.05%                                                                   | 0.12%           |
| Quantity of Decathlon & OBI second life products sold in France                                                    | 293,039                                                                 | 385,988         |

NFRD 2023 methodological notes

**Note 72:** This year, Decathlon wants its circular sales figures to reflect as accurately as possible what is happening in the retail countries, by taking into account the results reported by the Group's tools as well as those from local tools.

This organisation made it possible to have better visibility on the Rental activity in 2023 and to integrate it into the scope of circular sales.

Circular sales, generated by second life products, product maintenance and repair in workshops, and product rental, increased in 2023, both in France and internationally. Overall circular sales in 2022 represented 1.75% (excluding Rental) of Decathlon's total sales, and increased, on an equivalent basis, to 2.16% in 2023. Including rental, circular sales represented 2.27% of total sales in 2023.

Decathlon's circular models include second life options such as trade-in, saved products (damaged stock from customer returns, retail activity or rental products) and customer-to-customer transactions (trocathlon). Rental models such as subscriptions and short-term rentals, as well as repair and maintenance services provided through workshops and Do It Yourself initiatives, continue to be included.

In 2023, Decathlon focused on the roll-out of circular models (rental subscription and trade-in) in four pilot countries: the Netherlands, Spain, Italy and Belgium, with a view to wider deployment from 2024.

Given the significant representativeness of the ten countries with the highest circular activity within Decathlon, they were the subject of special monitoring in 2023.

These countries accounted for 86% of Decathlon's circular sales. The lessons learnt from the pilot countries have enabled the strategies defined for each business model to be rapidly implemented and rolled out.

In 2023, the team structure was adapted to meet the growth ambitions of circular models. Two priority areas of Decathlon's strategy, rental subscriptions and trade-ins, saw their sales double, thanks in particular to the strategies deployed in various countries to boost these business models. The workshops, another circular model, also posted positive growth of 17%.

However, sales of the DIY repair model fell short of expectations, despite adjusted growth thanks to the addition of new items. The teams are now concentrating their efforts on this model to reverse the trend.

In 2024, the main objective will be to develop circular models in twelve major Decathlon countries (Belgium, Mainland China, France, Germany, India, Italy, the Netherlands, Poland, Portugal, Spain, Switzerland, the United Kingdom). Particular emphasis will be placed on trade-ins, rental subscriptions and DIY repairs. The development of digital technology will play a crucial role in the evolution of these business models. As part of this effort, the Circular Hub will be deployed in stores to improve the circular experience for customers. The Circular Hub is an integral part of Decathlon's circular strategy. This is a specific area in Decathlon stores that centralises sustainable and circular services (repair, buy-back and recycling).

At the end of 2023, a test Circular Hub was deployed in the San Sebastian store in Spain.

| COMMITMENT TO RESPONSIBLE CONSUMPTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | 2022           | 2023                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|-----------------------------|
| REUSE OF OUR PRODUCTS   SECOND LIFE                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |                |                             |
| Number of countries or regions with a second life product offer (as of 31/12):                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       | 44 (out of 59) | 43 (out of 57)<br>(Note 73) |
| NFRD 2023 methodological notes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                |                             |
| Note 73: In 2023, 43 countries offered second life products. Note that only the results of 27 countries are taken into account when calculating the second life indicators. These are the 26 countries that have adopted Decathlon's automated data collection process, as well as Mainland China, which uses its own IT solution. 2023 was a year of growth for second life business models. Despite the closure of Trocathlon during the year, second life sales rose by 116.5% compared with 2022. Trade-in performed very well, with a 141% increase in sales volumes in 2023. More and more countries have started to track their stocks of damaged products in order to give them a second chance while helping to make sport even more accessible to all Decathlon customers. |                |                             |
| REUSE OF OUR PRODUCTS   RENTALS (SHORT-TERM, SUBSCRIPTIONS, LONG-TERM)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |                |                             |
| Number of Decathlon brands offering product rental (short-term, subscriptions, long-term) (as of 31/12)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 23             | 21 (Note 74)                |
| Number of countries offering Decathlon products for rent (short-term, subscriptions, long-term) (as of 31/12)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | 10             | 17 (Note 74)                |
| Number of Decathlon product rentals (short-term, subscriptions, long-term) (as of 31/12)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 187,888        | 284,985 (Note 75)           |
| Number of Decathlon brands offering subscription and long-term rental of Decathlon products (as of 31/12)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 6              | 9 (Note 76)                 |
| Number of countries offering subscription and long-term rental of Decathlon products (as of 31/12)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 2              | 5 (Note 77)                 |
| Number of subscriptions and long-term rentals of Decathlon products (as of 31/12)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 24,280         | 60,956 (Note 77)            |

NFRD 2023 methodological notes

The types of product likely to be concerned by rental are: investment products, bulky products, seasonal products, technical products, products subject to a major innovation/change cycle and, more particularly in 2023, mountain sports equipment (winter sports/hiking), water sports equipment (sea, river), mobility equipment (bicycles, scooters), racket sports and other sports. In 2023, the focus was on rolling out the children's bike offer in several countries. In 2024, new offers will be rolled out, in particular for adult mechanical and electric bikes. Overall, 2023 was a dynamic year: subscription-based rental sales increased 4-fold, the volume of contracts increased 1.6-fold and customer satisfaction remains high, with an overall average score of 4.74 out of 5 for the rental offers proposed by Decathlon.

Note 74: The 21 brands concerned in 2023 are : Artengo, Btwin, Caperlan, Corength, Domyos, Elops, Forclaz, Inovik, Itiwit, Kuikma, Olaian, Oxelo, Quechua, Simond, Tarmac, Triban, Tribord, Van Rysel, Riverside, Rockrider, Wedze.

Note 75: In 2023, 17 of the countries where Decathlon is present offered rentals: Austria, Belgium, Mainland China, Croatia, the Czech Republic, France, Great Britain, Hungary, Italy, Morocco, the Netherlands, Poland, Portugal, Serbia, Slovenia, Spain, Switzerland. The number of Decathlon product rental contracts increased by 51.7% in 2023, from 187,888 to 284,985.

Note 76: In 2023, 3 additional brands were added to Decathlon's subscription offer, bringing the total number of brands offering these services to 9: Btwin, Corength, Domyos, Elops, Itiwit, Olaian, Riverside, Rockrider, Triban.

Note 77: In 2023, 3 new countries offered subscriptions for Decathlon products. A total of 5 countries now offer subscriptions for Decathlon products: France, Spain, Italy, Belgium and the Netherlands.

Long-term rental was offered in France for part of 2023, before being discontinued.

The indicator "Number of days of rental of Decathlon products (short term, subscriptions, long term)" was excluded this year due to difficulties in collecting this data for all countries.

| COMMITMENT TO RESPONSIBLE CONSUMPTION                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            | 2022                        | 2023                        |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|-----------------------------|
| REUSE OF OUR PRODUCTS   REPAIR                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                             |                             |
| Number of workshops worldwide (as of 31/12)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 1,636<br>(for 1,751 stores) | 1,712<br>(for 1,749 stores) |
| Number of workshops in France (as of 31/12)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | 332                         | 328                         |
| Number of technicians in Decathlon workshops worldwide (as of 31/12)                                                                                                                                                                                                                                                                                                                                                                                                                                                                             | 4,431                       | 3,739 (Note 78)             |
| Satisfaction rating of the quality of service in our workshops                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | 4.6                         | 4.6                         |
| % of own-brand products qualified as repairable (as of 31/12)                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | 11%                         | 16.1% (Note 79)             |
| % of products repaired (considered repairable) in Decathlon workshops (as of 31/12)                                                                                                                                                                                                                                                                                                                                                                                                                                                              | 66.5%                       | 70.6% (Note 79)             |
| Total number of products repaired in Decathlon workshops (as of 31/12)                                                                                                                                                                                                                                                                                                                                                                                                                                                                           | 2,307,889                   | 2,777,556 (Note 80)         |
| NFRD 2023 methodological notes                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |                             |                             |
| Note 78: This indicator only takes into account employees whose contractual status is "technician" or "sales technician" (employees declaring themselves to be technicians on secondary assignments are excluded from the calculation).                                                                                                                                                                                                                                                                                                          |                             |                             |
| Note 79: The objectives for 2026 are to have:                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                             |                             |
| ▪ 30% of the products in the offer qualified as repairable                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |                             |                             |
| ▪ and 100% of repairable products repaired by our workshops and our customers                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                             |                             |
| Repair services activities in 2023 continued to evolve and grow (17% compared to 2022). The main reason for this development is Decathlon's new circular economy strategy, which has helped to place the activity at the heart of the stores' ambitions. Repair services are now more visible, better known and more appreciated by customers. A major effort has also been made on the brands to guarantee better repairability of products and availability of spare parts. The momentum remains very positive and encouraging for the future. |                             |                             |
| Note 80: This indicator relates to all products repaired as a paid service or under warranty.                                                                                                                                                                                                                                                                                                                                                                                                                                                    |                             |                             |

| WASTE MANAGEMENT & RECYCLING | 2022 | 2023 |
|------------------------------|------|------|
| PRODUCT RECYCLING            |      |      |

|                                                                                                              |       |                 |
|--------------------------------------------------------------------------------------------------------------|-------|-----------------|
| Percentage of products placed on the market by Decathlon France covered by EPR schemes (from 01/01 to 31/12) | 87.9% | 89.6% (Note 81) |
|--------------------------------------------------------------------------------------------------------------|-------|-----------------|

NFRD 2023 methodological notes

**Note 81:** This indicator is declared for the first time in the 2023 NFRD. This indicator focuses on products placed on the market for which Decathlon has extended producer responsibility (EPR). These are products for which the quantities placed on the market are declared to the various French eco-organisations in order to pay the eco-contribution, and for which the information is reliable. These provisions are the result of the AGECE law and the introduction of new EPR schemes, particularly for sports and leisure goods (SLG).

HANGERS

|                                                     |             |                       |
|-----------------------------------------------------|-------------|-----------------------|
| Quantity of hangers collected (from 01/01 to 31/12) | 170,900,000 | 159,000,000 (Note 82) |
|-----------------------------------------------------|-------------|-----------------------|

|                                              |     |               |
|----------------------------------------------|-----|---------------|
| % of hangers collected (from 01/01 to 31/12) | 65% | 65% (Note 82) |
|----------------------------------------------|-----|---------------|

|                                                  |            |                      |
|--------------------------------------------------|------------|----------------------|
| Quantity of hangers reused (from 01/01 to 31/12) | 65,391,356 | 71,339,249 (Note 82) |
|--------------------------------------------------|------------|----------------------|

|                                           |     |               |
|-------------------------------------------|-----|---------------|
| % of hangers reused (from 01/01 to 31/12) | 21% | 35% (Note 82) |
|-------------------------------------------|-----|---------------|

|                                                                                |     |                 |
|--------------------------------------------------------------------------------|-----|-----------------|
| % of recycled material in the manufacture of new hangers (from 01/01 to 31/12) | 56% | 68.7% (Note 82) |
|--------------------------------------------------------------------------------|-----|-----------------|

|                                                              |             |                       |
|--------------------------------------------------------------|-------------|-----------------------|
| Quantities of hangers produced by year (from 01/01 to 31/12) | 267,000,000 | 200,000,000 (Note 82) |
|--------------------------------------------------------------|-------------|-----------------------|

NFRD 2023 methodological notes

**Note 82:** In 2023, Decathlon confirmed its efforts to reduce the environmental impact generated by the consumption of single-use plastic hangers. As a result, the overall quantities produced have fallen significantly, in particular as a result of the work undertaken to sell more products without the use of hangers. The packaging teams also worked with their supplier, Mainetti, to increase the proportion of recycled material used to produce hangers. By the end of the year, these efforts resulted in an average of 68.7% recycled polypropylene being used in the production of the current range of clothes hangers.

The teams also worked to increase the rate of reuse of hangers from 21% in 2022 to 35% in 2023. Decathlon and Mainetti are working to facilitate international flows to return the hangers collected in European stores to textile suppliers based in Asia.

The in-store collection rate for clothes hangers remained stable in 2023 at 65%, below the target of 75%. In 2024, efforts to motivate store teammates will continue in order to achieve this collection rate target.

| WASTE MANAGEMENT & RECYCLING | 2022 | 2023 |
|------------------------------|------|------|
| WASTE MANAGEMENT             |      |      |

|                                                                                                                          |                |                          |
|--------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------|
| Weight of waste generated by sites (Decathlon-owned stores and warehouses, outsourced warehouses) (from 01/01 to 31/12): | 106,007 tonnes | 103,361 tonnes (Note 83) |
|--------------------------------------------------------------------------------------------------------------------------|----------------|--------------------------|

|                                          |                     |                     |
|------------------------------------------|---------------------|---------------------|
| → Weight of recycled paper and cardboard | 46,936 tonnes (44%) | 45,389 tonnes (44%) |
|------------------------------------------|---------------------|---------------------|

|                                |                   |                   |
|--------------------------------|-------------------|-------------------|
| → Weight of recycled packaging | 5,456 tonnes (5%) | 5,131 tonnes (5%) |
|--------------------------------|-------------------|-------------------|

|                              |                   |                   |
|------------------------------|-------------------|-------------------|
| → Weight of recycled plastic | 2,604 tonnes (3%) | 2,961 tonnes (3%) |
|------------------------------|-------------------|-------------------|

|                                             |                    |                   |
|---------------------------------------------|--------------------|-------------------|
| → Other (wood, scrap metal, textiles, etc.) | 6,540 tonnes ( 6%) | 5,553 tonnes (5%) |
|---------------------------------------------|--------------------|-------------------|

|                         |                     |                     |
|-------------------------|---------------------|---------------------|
| → Weight of mixed waste | 44,471 tonnes (42%) | 44,327 tonnes (43%) |
|-------------------------|---------------------|---------------------|

|                                                   |                                                                                                                                  |           |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|-----------|
| Recycling rate by activity (from 01/01 to 31/12): | <div> VERIFIED INFORMATION mazars Audit</div> | (Note 84) |
|---------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|-----------|

|                                                  |     |     |
|--------------------------------------------------|-----|-----|
| → Overall recycling rate (stores and warehouses) | 58% | 57% |
|--------------------------------------------------|-----|-----|

|                            |     |     |
|----------------------------|-----|-----|
| → Recycling rate in stores | 50% | 46% |
|----------------------------|-----|-----|

|                                |     |     |
|--------------------------------|-----|-----|
| → Recycling rate in warehouses | 69% | 70% |
|--------------------------------|-----|-----|

|                                                  |  |           |
|--------------------------------------------------|--|-----------|
| Recovery rate by activity (from 01/01 to 31/12): |  | (Note 84) |
|--------------------------------------------------|--|-----------|

|                                                 |     |     |
|-------------------------------------------------|-----|-----|
| → Overall recovery rate (stores and warehouses) | 62% | 63% |
|-------------------------------------------------|-----|-----|

|                           |     |     |
|---------------------------|-----|-----|
| → Recovery rate in stores | 57% | 57% |
|---------------------------|-----|-----|

|                               |     |     |
|-------------------------------|-----|-----|
| → Recovery rate in warehouses | 69% | 72% |
|-------------------------------|-----|-----|

NFRD 2023 methodological notes

**Note 83:** In 2023, Decathlon observed a decrease of 2.5% compared to 2022 in the overall quantities of waste generated by the sites.

**Note 84:** In 2023, the recycling rate fell by 1 point and the recovery rate rose by 1 point. The changes can be explained in particular by a change in methodology for calculating estimate ratios, which automatically increases estimates (see methodological note p.235). In addition, at the end of the year, an internal methodological review of the 10 countries with the highest impact in terms of weight of waste produced was carried out. During the course of this work, certain calculation methodologies concerning residual waste were invalidated and replaced by ratio estimates based on the methodology used at Decathlon. Lastly, a specific programme for the logistics perimeter was launched at the beginning of 2023, as this perimeter represents 4% of sites in number for 46% of the volume of waste generated by Decathlon in 2023. However, difficulties in recording the quantities of residual waste contribute to an overall over-estimation of these quantities, since their estimation is added to the actual recycling data and therefore has an unfavourable impact on the indicators.

The targets for the recycling rate are:

- overall: 70% in 2023 and 96% in 2026
- for retail: 65% in 2023 and 95% in 2026
- for logistics: 75% in 2023 and 98% in 2026

The targets for the recovery rate are:

- overall: 75% in 2023 and 100% in 2026
- for retail: 70% in 2023 and 100% in 2026
- for logistics: 80% in 2023 and 100% in 2026

# 3

## DEVELOPING PEOPLE

WELL-BEING THROUGH ENJOYMENT  
AND BENEFITS OF SPORT

- TEAMMATES
- HUMAN RIGHTS IN PRODUCTION
- CUSTOMER SAFETY AND SATISFACTION
- SOCIAL COMMITMENT



DECATHLON IS COMMITTED TO THE UNITED NATIONS  
SUSTAINABLE DEVELOPMENT GOALS



# 3.1 TEAMMATES

TEAMMATE WELL-BEING  
DIVERSITY AND INCLUSION  
HEALTH AND SAFETY  
SKILLS AND DEVELOPMENT  
SHARING VALUE AND SHAREHOLDING  
PERFORMANCE INDICATORS

# TEAMMATE WELL-BEING

## Cultivating the pleasure of working together

Decathlon feels it is essential to provide teammates with a workplace that is in line with its positive human values. The company is responsible for its employees' well-being, which contributes directly to its performance. This is why working conditions and quality of life are the focus of regular discussions and monitoring by Decathlon's human resource teams.

In a dynamic of global growth in this area, the company is strengthening its teams and forming a network at the international level. Every theme that contributes to well-being at work (diversity, health, training, etc.) is being addressed in greater depth, especially in France, where Decathlon addresses quality of work life through six separate aspects: well-being, psychosocial risks, disability, ageism, integration and gender equity.

To guarantee teammate well-being at work, maintain the level of commitment and ensure employees' personal development everywhere in the world, Decathlon measures a set of criteria each year using an internal survey called the Decathlon Teammates Barometer (DTB).



### 2023 HIGHLIGHTS

The Decathlon Teammates Barometer is being adapted globally to the company's new purpose, **with new questions about diversity, inclusion and well-being.**

In France, the work-life balance continues to be at the heart of Decathlon's concerns, with new measures put in place to ensure teammate well-being.

KEY FIGURES as of 31/12/2023

**89%**  
of teammates are happy to come to work each morning and support the company project, their own project and Decathlon's purpose

**54%** answering "Yes, completely" and **35%** "Yes, mostly" in 2023, compared with **55%** answering "Yes, completely" and **36%** "Yes, mostly" in 2022<sup>1</sup>

**80%**  
of teammates in the total workforce have permanent contracts

**81%** in 2022

### Decathlon Teammates Barometer

Every year, the Decathlon Teammates Barometer uses 49 questions<sup>2</sup> to determine how well the company is implementing human fundamentals. In 2023, 84% of teammates in 64 countries where the company operates answered the survey<sup>3</sup>. If they so wish, countries can add specific questions in order to survey their teams on local issues. This regular survey allows the company to consolidate its knowledge, reliably compare human data (between specific scopes and periods) and to quickly address any problems that may be identified.

Despite difficult economic times and changes involved in implementing the 2023-2026 business project, the results of the survey varied little in 2023. In this year, **89% of teammates say they are happy to come to work each morning and support the company project, their own project and Decathlon's purpose** (91% in 2022). This result reflects a year in which human fundamentals remained strong and motivating within the company.

The 2023 survey also saw **the introduction of 16 questions related to Decathlon's new business project, which particularly:**

- Give growing importance to the **issues of inclusiveness, diversity, well-being (both physical and psychological) and career paths within the Group**
- Measure how well teammates understand and **contribute to this project**, which was 89% in 2023<sup>4</sup>

The list of questions can be re-evaluated each year to ensure they continue to be relevant to Decathlon's project.

### Working practices to improve the work-life balance in France

#### PART-TIME WORK

In France, 23.5% of employees (24.6% in 2022) work part time. Decathlon wants to ensure its teammates find fulfilment in their work, particularly through working hours that are adjusted to suit each teammate. During job interviews, applicants are asked about their expectations regarding working hours, in order to meet the company's target of 100% of employees being satisfied with their normal hours.

In 2023, Decathlon signed an agreement with labour partners to set new working hour management standards for teammates in stores. **The minimum working week was increased to 12 hours** (unless otherwise requested by the employee), which is the legal minimum to be able to make social security and pension contributions. For students, this new agreement formally forbids working hours being scheduled during class times, and ensures that schedules are set in advance for study weeks and exam periods to ensure students can best balance their studies and their job.

**In 2023, the annual survey of teammates working part-time<sup>5</sup> showed that 92% were satisfied with their hours (91% in 2022).**

2. The number of questions can vary each year based on the strategic priorities defined by the company.  
3. In 2023, 71,307 employees responded in the DTB internal survey, representing nearly 84% of employees under contract having worked for Decathlon for more than three months at the time of the survey.  
4. This indicator includes the responses to the following four questions:  
1. I know Decathlon's new purpose: "Move People through the Wonders of Sport"  
2. The purpose "Move People through the Wonders of Sport" motivates me and guides my actions on a daily basis  
3. I know Decathlon's business project (the five strategic pillars)  
4. I contribute to Decathlon's project (the five strategic pillars) through my responsibilities  
5. 2,425 out of 4,852 teammates working part-time - 50% of the teammates involved participated in the survey conducted in March 2023.  
6. Conditions: Store teammates can redeem up to three days of RWH independently. However, any more days must be approved by their team leader. For service teammates, all RWH redemptions must be approved by the team leader.

### RIGHT TO DISCONNECT

Decathlon France's right-to-disconnect policy presents the main principles of work organisation that respects every employee's down time. In a logic of responsibility, it states that communication outside working time is never mandatory, that the leader's behaviour must be exemplary, and that each person is entitled to adapt the frequency of communication to their individual work priorities.

### REMOTE WORK

In 2021, French labour partners and Decathlon France management wanted to perpetuate remote work to create a system for the company's management practices and operational needs that is both secure and fair.

The agreement signed in 2021 was guided by the following principles:

- **Promote quality of life at work** through a good work-life balance
- **Guarantee efficient teamwork**, creativity and project advancement by adapting workspaces to this new hybrid way of working
- **Maintain the importance of working together** and of social and human relations, which are part of the company's DNA (shared sports activities)
- **Pursue commitments to responsible** and environmentally-friendly work by reducing work commutes.

Currently, Decathlon France's remote work agreement concerns:

- **Services:** In 2023, 6,113 people, i.e. 97% of affected employees, were eligible for a maximum of two days of remote work per week
- **Stores:** Managers can work from home 12 days per year
- **Logistics:** Under the new agreement signed in 2023 with labour partners, support managers can now work from home two days each week. Line managers can work from home 12 days per year.

### → OTHER ADVANCES IN 2023

- **Work-life balance for store teammates:** An amendment to the full-time agreement ensures that every employee can now have **eight Saturdays (busiest day for sales) off per year.**
- **Option to work more by exceeding the annual set number of working days:** Since 2023, store and service managers are covered by the "redemption of reduced working hours (RWH)" policy. This measure ensures teammates are paid for days worked beyond their annual set number of working days<sup>6</sup>.

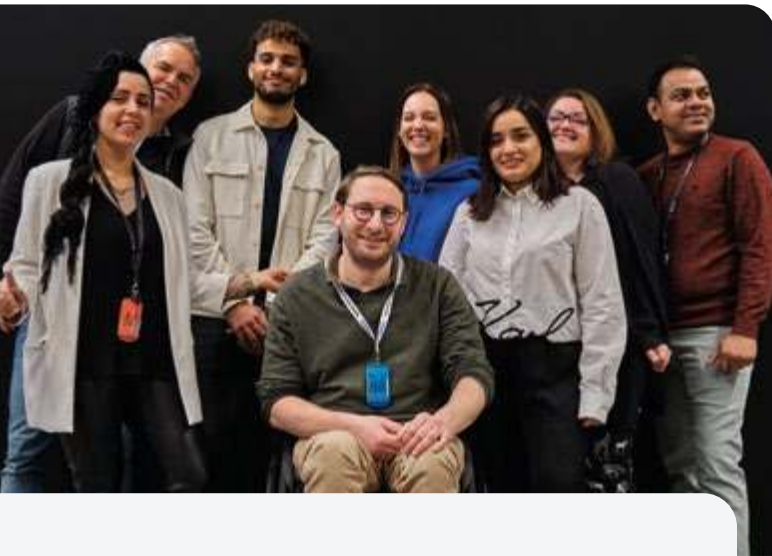
1. More information on all the indicator monitoring for workplace well-being on p. 160.



# DIVERSITY AND INCLUSION

## Promoting equal opportunities and preventing discrimination

Decathlon is an international company with employees from a wide variety of backgrounds. It values all contributions and believes that everyone should have equal chances of success. As a global company, Decathlon sees diversity as a source of innovation, creativity and performance. It helps the company understand its customers better and supports business growth.



### 2023 HIGHLIGHTS

In 2023, Decathlon began an external assessment and certification process on the topics of equity, diversity and inclusion. At the same time, the company is building a new global policy that matches its ambitions.

Decathlon continues its commitment to gender equity and saw the number of women in senior positions increase in 2023.

The company continues to develop local initiatives around the world that foster diversity and inclusion within teams.

The company strives to create a level playing field and equal opportunities for all its teammates. It promotes their talent regardless of their beliefs, age, disability, parental status, ethnic origin, nationality, sexual or gender identity, sexual orientation, political or religious affiliation, trade union or minority organisation membership, or any other characteristic that could be subject to discrimination. Employees can use the Whispli reporting platform<sup>7</sup> to report all acts of discrimination, harassment, etc., that could harm their physical and mental health<sup>8</sup>.

Decathlon's purpose, "Move People Through the Wonders of Sport", aims to democratise sport and its practice for everyone all over the world. Through this purpose, the company aims to promote equal opportunities to reach an overall state of physical, mental and social well-being. Decathlon's conviction is to be a company where its teammates feel comfortable to be themselves, reflecting the diversity of the customers and users it serves and the society in which it operates. Its ability to catalyse differences, and to promote mutual communication and challenge, drives creativity, performance, responsibility and attractiveness.

KEY FIGURES as of 31/12/2023

**91% of teammates value the diversity that Decathlon brings to the team and its leadership<sup>9</sup>**

**37.6% of team leaders<sup>10</sup> are women and 62.4% are men**  
38.7% women and 61.3% men in 2022

**54.5% of teammates are under 29 years old**  
56.8% in 2022

**1.5% of teammates are over 55 years old**  
1.5% in 2022

## Equity, diversity and inclusion programme

Launched in 2022, Decathlon's equity, diversity and inclusion (EDI) programme aims to strengthen the company's efforts on these issues.

As part of this programme, the Group began a two-year assessment and certification process in July 2023 with the external expert EDGE Empower<sup>®11</sup>, which is involved in various stages in order to:

1. Collect data and policies
2. Conduct a survey among teammates in 20 countries (the survey will be finalised in 2024)
3. Analyse the results through an international assessment of HR processes
4. Audit our processes through a third-party vendor to measure inclusiveness

At the same time, Decathlon has drawn up a global EDI policy aligned with its ambitions to initiate, strengthen and promote the development of affirmative actions in the countries where the company is present. The aim of this policy is to support the inclusion of under-represented groups and marginalised communities through four pillars:

- Inclusive hiring
- Appointments and career development
- Pay equity
- Caregiver support.

Once approved by the Executive Committee, this policy will be rolled out worldwide from 2024.

A new question was also added to the Decathlon Teammates Barometer this year to measure teammate satisfaction with the diversity initiatives put in place. In 2023, **91% of teammates responded that they valued the diversity that Decathlon brings to the team and its leadership.**

### Forbes 2023 World's Best Employers

In 2023, Decathlon ranked 24<sup>th</sup> in the Forbes list of the world's best employers<sup>12</sup> in all sectors (first French company) and 60<sup>th</sup> in its ranking of the world's best employers when it comes to the inclusion of women (tenth in the retail sector).

## Gender equity and women in leadership

### INTERNATIONAL PROJECT

Decathlon believes that one of the company's responsibilities is to help create a more equitable society. It is also essential for the company to combine people's strengths, as different approaches deliver results and strong leadership abilities to achieve its transformation. In this, gender balance within the teams is a real asset in creating value and building a long-term social model at the company level.

To achieve its goal of "50% women and 50% men team leaders" by 2026 (37.6% women and 62.4% men as of December 2023 compared with 38.7% women and 61.3% men in 2022), Decathlon launched an international project in 2021 dedicated to gender equity. This project focuses on creating a culture of equity and inclusion in the workplace where every individual, regardless of gender, can express their potential as a way to drive performance.

The main pillars of the project are:

- Reinforcing the company's human ecosystem through gender-balanced leadership
- Individually and collectively engaging Decathlon's top management (leaders in the countries, HR, Sports, etc.) and defining annual objectives for the number of women leaders (globally and locally per business unit)
- Identifying and preparing future women leaders (International Talent Pool)
- Providing gender-balance training for leaders and sharing inspiring examples within the "Circle of Women in Top Management" and during the "Women in Leadership" programme.

### → 2023 HIGHLIGHTS

- **Increased number of women in positions with a high level of responsibility**, thanks to better identification of female talent and specific support during the recruitment process. As of December 31 2023, 31% of Decathlon's top management<sup>13</sup> teammates were women (compared with 19% in 2022) and 45.5% of its Executive Committee members were women (compared with 30% in 2022).
- **Creation of the Women in Leadership programme** to promote and strengthen the potential of female talent, as well as to create a strong network enabling participants to discuss their professional ambitions. In 2023, 140 women took part in this programme in two different sessions, covering the themes of professional ambition, meaningful careers, leadership styles, how to create an internal and external network, etc.
- **External study on the gender pay gap conducted by EDGE Empower<sup>®</sup>**. This study started in 2023 with the aim of collecting and analysing all the remuneration data available in the company. The results will provide a better understanding of the pay gap and enable the launch of dedicated policies to reduce it.
- **Integration of gender equity issues in the onboarding programme for leaders**, with a half-day session devoted entirely to the subject. During this programme, an exercise dedicated to dialogue on gender equity helps participants become more aware of how their behaviour and decisions can impact the creation of an egalitarian ecosystem.
- **Identification, sharing and monitoring of fifteen high-impact actions for all business units and countries** through collaborative work sessions. The best practices implemented in the countries where Decathlon is present were listed and analysed in order to identify the 15 most impactful actions that could be implemented throughout the company. These actions were shared with human resource leaders, who now monitor their implementation using a dedicated scorecard.

7. For more information on the reporting platform: <https://decathlon.whispli.com/sustainability>.

8. More information on p. 200.

9. This was the first year this indicator was monitored.

10. Teammates supervising at least one person.

11. For more information on EDGE: <https://www.edgeempower.com/> and more details on p. 216.

12. For more information on the Forbes ranking: <https://www.forbes.com/sites/rachelpfeachman/2023/10/10/meet-the-worlds-best-employers-2023/?sh=16041bad7657>.

13. Top management includes major company executives, such as members of the Executive Committee and the CEO's direct team, as well as the hierarchical leaders of the different divisions, such as the value chain, sports and products, retail and digital. It also includes strategic positions deemed essential by the sectors concerned. These strategic positions can be reconsidered as the company's needs evolve.

LOCAL ACTIONS

In France

In France, Decathlon aims to guarantee implementation of the 2021-2024 agreement<sup>14</sup> on professional gender equality signed with labour partners. This agreement sets targets including: 25% of women leaders in Sports & Processes and services, 40% female store department managers and 45% female logistics department managers. To meet these goals, the company is driven by a roadmap for each of the five themes comprising the agreement: sexism prevention, recruitment, professional advancement, remuneration and work-life balance.

To raise awareness and support teammates, training sessions and workshops are available in France: “Preventing sexism”, “Boost’Elles”, “Women in leadership” and “Parenting and life balance”, for example.

In Portugal



Thanks to the efforts of Decathlon Portugal since June 2022, the percentage of women team leaders in this country rose from 33% to 39.3% at the end of 2023. To achieve this result, an assessment was conducted at the beginning of the project to identify three main obstacles to gender equity. Then, dedicated strategies and action plans were put in place for each one, with the goal of reaching 50% women leaders by 2026:

- 1. **Make positions of responsibility more attractive to women:**
  - **Assessment:** In 2022, only 30% of external applications received for department manager positions came from women
  - **Goal:** 50% of external applications from women
  - **Action plan:** Redesign the communication and job descriptions to be more inclusive, regularly update recruitment training to ensure that every leader is well trained and aware of the importance and benefits of gender balance within the teams, and at all levels of responsibility.

2. Identify and develop female talent:

- **Assessment:** In 2022, while 50% of female and 50% of male sports leaders were considered potential candidates for store leadership positions, only 13% of the people hired in those positions were women, and just 20% of applications received were from women
- **Goal:** 50% female, 50% male applicants
- **Action plan:** Identify female talents across the country and regularly monitor their development and performance, set up the Women in Leadership programme locally, and create an appointments committee.

3. Support parenthood:

- **Assessment:** In 2022, not one female store manager had dependent children, and of the department managers who were parents, there were four times fewer women than men
- **Goal:** Improve the results of the DTB survey
- **Action plan:** Publish dedicated policies (e.g. for maternity/paternity leave departures and returns), create a specialised +BEM ESTAR Programme service (psychological and administrative support), and set up a re-boarding plan.

In Vietnam

Decathlon Vietnam is continuing its 2023-2026 gender equity project that aims to reach 50% women leaders and 50% men leaders in its teams by 2026. This project is structured around five main areas and saw several advances in 2023:

- 1. **Discrimination-free recruitment and appointments:** The policy has been updated to strengthen gender neutrality
- 2. **Work-life balance:** Support for pregnant and breastfeeding women, with a specific means of transportation being provided, especially for teammates who work in production and have to travel to factories
- 3. **A healthy working environment:** A workshop on tackling harassment was organised and led by experts (35 participants), and specific training was offered on four supplier production sites: three workshops for leaders (85 participants) and one workshop open to all teammates (38 participants) to work on unconscious biases
- 4. **Empowering women:** Fifteen Decathlon Vietnam teammates attended the international Women in Leadership programme (with the aim of expanding this initiative locally in 2024)
- 5. **Equal pay for equal work:** A wage gap study is planned for 2024.

As of 31 December 2023, 39.7% of team leaders were women and 60.3% were men at Decathlon Vietnam.

Internationalisation of Decathlon

With a presence in 57 retail countries/regions and 100,701 teammates of almost 80 nationalities, Decathlon is a global company with great cultural diversity.

Decathlon aims to be recognised as a company where diversity, inclusion and equal opportunities are essential human fundamentals. In this spirit, Decathlon has to leverage the talents from all its countries and provide the right conditions for its teammates, appointed internally or hired externally, to develop.

The company's growing internationalisation will give all teammates fresh opportunities to acquire new skills, learn new languages (English, for instance) and discover new cultures. It will foster their capacity to participate in the company's co-development and benefit from it.

Decathlon wants to help build a more inclusive society and it strongly believes that the rich and diverse background of its teammates, communities, partners and alliances has a direct impact on its performance, innovation and ability to solve complex challenges.

With this in mind, Decathlon has set itself a high goal to reach 50% of international leaders<sup>15</sup> by 2026. Such an ambition has a strong cascading impact on the company's processes, tools and management systems. To achieve it, Decathlon is working on policies, training and career management programmes, as well as building a strong meritocratic system to increase the representation of international leaders in its key strategic and international managerial roles.

Decathlon is therefore focusing its efforts on five pillars:

- **Progressively adopting a common language in the company:** Integrating English language learning in development programmes, as well as training leaders and teammates who have international positions (932 people started training in 2023)
- **Improving Decathlon's appointment process:** Making the process more inclusive and internationalised by building a global talent pool
- **Opening up to external talents:** Hiring experienced leaders
- **Providing world-class inclusive onboarding** to talents hired both internally and externally (41 teammates of 14 different nationalities were onboarded through the new programme<sup>16</sup>, giving it an average score of 4.5/5)
- **Building global hubs integrating different business functions and expertise:** Opening dedicated hubs located in strategic geographical zones in terms of expertise to access larger talent pools and enable the company to become more multicultural (opening of a global hub in Amsterdam in 2023 with 47 teammates operating from there).

In 2023, 27% of Decathlon's leaders were of a nationality other than French (23% in 2022).

LGBTQI+

LOCAL INITIATIVES

In line with the desire to offer equal opportunities to all, concrete initiatives are being taken locally to promote the inclusion of LGBTQI+<sup>17</sup> individuals in compliance with each country's legislation and culture.



In the United Kingdom, for instance, a new project was launched and several actions were carried out in 2023:

- Publishing and sharing helpful documentation to promote the inclusion of LGTBQI+ teammates as well as specific guidelines on gender transition
- Creating a gender transition checklist and action plan for managers to support teammates during their gender transition
- Creating an intranet and an instant communication channel enabling teammates to find all useful documents, information and upcoming events
- Holding a variety of events during Pride Month and organising communication; campaigns (Transgender Awareness Week, Coming-out Day, etc.)
- Creating inclusive name badges.

A human resources policy for LGBTQI+ people and an e-learning programme are also being prepared for launch in 2024.

Initiatives have also been underway in several other countries, with:

- Workshops and training sessions in Brazil, Canada, Chile, and Hungary
- The publication of LGBTQI+ policies in Italy and Hungary
- Support offered for transitioning teammates and their managers in Brazil and Chile (including new benefits to help finance hormonal treatments or surgery)
- Communication campaigns and awareness-raising events in Brazil and Chile
- Gender-inclusive washroom facilities (with inclusive symbol signage) in Chile.

15. Leaders occupying strategic roles internationally (approximately 300 teammates).

16. More information on the new onboarding programme on p.152.

17. LGBTQI+: Lesbian, Gay, Bisexual, Transgender, Queer, Intersex; the + sign refers to the whole gender and sexuality spectrum.

Disability

Decathlon is committed to promoting and assisting the professional integration of people with disabilities.

IN FRANCE

Decathlon France aims to guarantee the implementation of its eighth disability agreement signed with Mission Handicap and labour partners for 2023-2025. The new agreement is structured around four areas:

- Keeping teammates in employment (priority focus)
- Integration, training and awareness-raising
- Recruitment
- Relations with the sheltered employment environment.

Through this agreement, Decathlon reaffirms the importance of the role of the referent network in achieving its objectives (140 disability referents and 18 disability network leaders in 2023) and wants to enable its teammates to find a better work-illness balance by focusing its efforts on four issues: cancer, long COVID, mental health and endometriosis.

→ 2023 IN FIGURES

- **Keeping teammates in employment:** 141 teammates were assisted in having their disability recognised in house (186 in 2022) and 97 employees (86 in 2022) received technical (workplace design), psychological and behavioural support.
- **Awareness-raising:** Over 8,000 teammates attended four thematic days dedicated to cancer, long COVID, mental health and endometriosis (conferences were held involving employees affected by illness and medical experts, offering advice on how to achieve a better work-illness balance, as well as sharing contacts and concrete solutions).
- **Recruitment:** 182 people with disabilities were hired (all contracts combined, including 19.2% with permanent contracts vs 149 in 2022, including 17.4% with permanent contracts), and 3.5% of all Decathlon France teammates hired have a disability (3.2% in 2022).
- **Relations with the sheltered employment environment:** Four people from the sheltered employment environment were hired with permanent contracts, and over 200 sites work with the sheltered employment environment, providing services, premises cleaning, bicycle assembly, store receptions, racket stringing, etc.

On 23 November 2023, Decathlon France held its fifth Duo Day to mark the European Week for the Employment of People with Disabilities. This year, 267 employees throughout France volunteered to present their job and work with someone, forming 229 pairs (184 in stores, 34 in logistics, 11 in services).



Long COVID: Informing, sharing and supporting

In June 2023, Decathlon became the first French company to organise actions dedicated to long COVID<sup>18</sup> to provide information, allow teammates to share their experiences and support teammates affected by this disease. First, the company hosted a connected sports challenge open to everyone: for each of the 3,000 km covered by the participants in the challenge, Decathlon's Handicap Mission paid one euro to #ApresJ20<sup>19</sup> COVID Long France. The high point of this campaign was a webinar<sup>20</sup> held symbolically on 21 June 2023, the longest day of the year. Lastly, a corporate radio programme was specially recorded to mark the occasion and was broadcast in stores and on the Internet.

Testimonial



**Mylène Rahel DAMAMME,**  
ESG and sustainability reporting Director,  
Co-founder of #ApresJ20 COVID Long  
France, and yoga enthusiast

*"I came down with long COVID during the first months of the pandemic. I'm lucky because I have received great support from referents of Decathlon's Handicap Mission over the past three years. The impact of this disease in the workplace is now a major issue: we have to remove the taboo that still surrounds chronic diseases and provide employees with as much information as possible so that work accommodations and support can be provided to ensure everyone is able to find a good work-illness balance. Having a solid foundation and an environment of trust in the company is essential: it helps us better deal with the disease."*

OTHER LOCAL ACTIONS

Various countries are also developing tools and services to improve both our teammates' daily lives and the shopping experience for customers with disabilities, such as:

- **use of an app** in Italy<sup>21</sup> to help employees with Down Syndrome learn and become autonomous;
- **sign language interpreting** in Italy (accessible online and provided by trained teammates in several stores);
- **assistance for blind or visually impaired users** in Hungary;
- **weekly "quiet hours"** to improve accessibility for people on the autism spectrum (at all stores in Hungary and Ireland and at some stores in Belgium and Italy).

Professional integration of young people in France

Decathlon has been working for many years to create opportunities for young people to obtain their first work experience. In 2023, the company hired 4,100 work placement trainees (3,170 in 2022) and 1,024 work-study trainees (1,382 in 2022), with 27% of the latter ultimately being offered a permanent contract (40% in 2022<sup>22</sup>).

THE DECATHLON APPRENTICE TRAINING CENTRE

In partnership with Agence Nationale pour la Formation Professionnelle des Adultes<sup>23</sup> (AFPA), Decathlon opened its apprentice training centre in September 2022 to teach apprentices how to repair and sell sports goods. Through this training programme, Decathlon hopes to share its expertise and know-how, while meeting its growing needs for labour (500 technicians required by 2026) due to the changes in urban mobility (bicycles, electric bikes and scooters). All apprentices are hired under a twelve-month contract and receive appropriate training. At the end of the programme, they are awarded a recognised state diploma and offered the opportunity to join the company after the work-study programme.

At the end of the first year of training, Decathlon awarded permanent contracts to 73 of the 126 graduates<sup>24</sup> (58%) as sales technicians.

A new class, with 75 apprentices aged 16 to 56 (75% aged 16 to 30), began training between September and October 2023 at eight centres across France (including four in-house centres managed entirely by Decathlon and four centres managed in partnership with AFPA).

➔ Information on Decathlon's repair activities on p. 118.

Measures for seniors in France

By December 2024, Decathlon France aims to implement its fourth seniors<sup>25</sup> agreement signed with labour partners for 2021-2024<sup>26</sup>. This agreement is structured around four main areas: hiring seniors (objective: 96 new hires over the duration of the agreement, with 50% as permanent contracts), protecting employment, transferring skills and planning retirement. A network of 25 senior referents actively are contributing to this agreement being a success.

As of 31 December 2023, 1,074 teammates aged 55 and over had a permanent contract with Decathlon France, representing 5.5% of total employees with a permanent contract (compared with 949 teammates and 4.7% of staff with a permanent contract in 2022). Considering the constantly growing numbers of seniors in Decathlon's workforce and with the rise in the retirement age in France, it is becoming an increasingly important issue for the company to keep seniors in employment. To meet this need, several measures under the seniors agreement have already been put in place: annual medical check-up on request, night work for moving in stores limited to one per week (between 9:00 p.m. and midnight), accommodations to working hours, facilitated transition to part-time with the maintenance of pension contributions and wage compensation, etc.

Several other initiatives in 2023 can also be highlighted:

- **108 sessions on preparing for retirement were held:** 768 people registered for the "understanding and preparing for retirement" course (for people from age 40) and 292 people registered for the "retirement formalities" course (for people from age 55)
- **Training on "good management of senior employees"** was organised to support leaders in managing employees over the age of 55 (30 sessions attracted 255 leaders)
- **Signature of the Landoy Club Charter<sup>27</sup>,** an inter-company commitment to keep staff over the age of 50 in employment. Supported by the French Ministry of Labour, Full Employment and Integration, this charter includes ten commitments devoted to hiring, training, job retention, career development, occupational well-being, retirement and awareness of ageism. Signatory companies will meet each year to share their best practices and present the progress of their actions
- **Official launch of the La Maison Bleue<sup>28</sup> association for retired Decathlonians** that aims to maintain ties between the company and its former employees. By joining the association, retired Decathlonians receive various benefits (complementary health insurance, discounts, etc.) and can share their experiences with young teammates at a variety of events (training sessions, etc.). The association also aims to set up a mentoring system to support future retirees in their steps towards retirement
- **Creation and testing of an offboarding tool** that helps employees plan the different steps before retirement and obtain all the information they need to complete the procedure. Everyone concerned will be able to access it starting in 2024.

18. Long COVID is a condition having long-term, fluctuating and multi-systemic symptoms (respiratory, cardiac, neurological, vascular, dermatological, ENT, digestive, etc.) that develop during a SARS-CoV-2 infection and appear or persist four weeks later.  
For more information: [https://www.has-sante.fr/jcms/p\\_3237041/en/prolonged-symptoms-following-acute-covid-19-in-adults-diagnosis-and-management](https://www.has-sante.fr/jcms/p_3237041/en/prolonged-symptoms-following-acute-covid-19-in-adults-diagnosis-and-management).  
19. For more information on #ApresJ20: <https://www.apresj20.fr/>.  
20. To watch the webinar: <https://www.youtube.com/watch?v=1eeSli69kKQ>.

21. For more information, see NFRD 2022, p.33.  
22. The decline in the rate is explained by the higher number of apprentices hired being greater than the number of permanent contracts in France in a difficult economic context.  
23. For more information on AFPA: <https://www.afpa.fr/>.  
24. This first class had 134 apprentices in September 2022, with eight leaving over the course of the year.  
25. 55 years and over.  
26. The agreement originally signed for 2021-2023 has been extended until the end of 2024.  
27. For more information on the Landoy Club Charter: <https://www.clublandoy.com/10-engagements-pour-valoriser-la-place-des-50-ans-dans-lentreprise/>.  
28. For more information on La Maison Bleue: <https://www.maisonbleuedkt.fr/page/2217345-edito>.



# HEALTH AND SAFETY

## Protecting our employees and stakeholders



Since its creation, Decathlon has been uncompromising when it comes to the safety of its teammates, customers and partners. Vigilance through prevention and safety verification processes is crucial in order to guarantee a safe and rewarding working environment for everyone.

As a company, Decathlon is involved in, and is impacted by, the major social influences of recent years; successive health crises as well as the rapid and necessary transformations to the company (digital development and acceleration of the circular economy) all impact teammates' relationship with work. So, Decathlon constantly adapts its efforts to maintain its physical and mental safety constraints. These elements and this constant work highlight the validity of our strategy of managing health and safety issues in the field, particularly through a permanent connection between local actions and support from international services.

### 2023 HIGHLIGHTS

Decathlon strengthened its international health and safety team, structuring it around the risks associated with the Group's main activities, as well as two cross-functional risks (psychosocial risks and risks related to travel and expatriation).

The company created a new tool to track workplace accidents, which teammates can use directly and anonymously.

Decathlon is paying more attention to psychosocial risks and is structuring its action on an international scale.

KEY FIGURES as of 31/12/2023

0 deaths<sup>29</sup> from workplace accidents and occupational illnesses  
0 in 2022

94% of teammates feel physically safe at their workplace  
94% in 2022

### Issues: impacts, risks and opportunities

Decathlon's activities can cause and be subject to health and safety risks (structural and cyclical) for its teammates, customers and partners:

- **In design:** e.g. when using machine tools during prototyping or product testing, or during field testing with customer testers
- **In production:** during visits to partner and supplier plants or when operating its own nine plants (e.g. chemical or mechanical risk)
- **In stores, workshops or on line (B2C or B2B):** during product handling, repairs or testing (new or used products), and when handling hazardous components such as bicycle and electric scooter batteries
- **In logistics:** when handling and storing goods.

Two cross-functional risks have also been identified:

- **Psychosocial risks:** with priority given to work-life balance and special attention paid to applying the management structure (monthly and annual appraisals, etc.) as well as the permanent expression of corporate values and culture
- **Risks related to business travel and expatriation:** safety and/or health risks depending on the destination.

Lastly, Decathlon must continually adapt its risk management to the emergence of new issues and the growing instability of its ecosystem that may have an impact on health and safety, including:

- Extreme weather events, natural disasters;
- Industrial accidents and disasters;
- Health crises;
- Geopolitical crises;
- Malicious acts, etc.

Health and safety have potential implications for the company, such as absenteeism, business disruption and legal risks.

Effectively managing these risks can ensure:

- Teammates and third parties to feel safe, which is a key factor in work satisfaction
- Decathlon to attract and retain employees, to develop the employer brand and permanently adjusts to changes in its activities and strategies (developing the circular economy, plans to modernise stores, venue security under the official partnership with the 2024 Olympic Games, etc.).



29. Scope: Employees under Decathlon contracts (permanent, non-permanent, student, internships). This scope does not include service providers or temporary workers.

Strategy and policy

THE FRAMEWORK

Safety management requires constant attention and a strict balance between needs (local risks and intentions/priorities of local teams) and resources (teammates involved, tools, etc.). To ensure this balance, Decathlon has been following a strategy based on two main pillars since 2016:

- 1. **Local accountability:** Safety standards must be defined and managed at both the country level and the operational unit level (retail, logistics, production), taking into account the local risks (frequency and severity) and stakes. This local autonomy leads to a better appropriation of safety priorities and a deeper investment into safety management.
- 2. **Interdependence:** Because safety is the company's top priority and because local events can have an impact on the entire Group, local teams are always backed by the international safety team and a network of experts.

THE STANDARDS

In each country where Decathlon operates, local safety standards take into account:

- Local regulations, culture, and risks
- Decathlon Minimum Safety Requirements, which must be met and followed around the world.

Decathlon Minimum Safety Requirements

The Group's minimum safety requirements include:

- 1. **An annual assessment:** Countries must first conduct a self-assessment that is then compared with the analysis performed by the Safety Referents on all activities (retail, logistics, production, etc.).
- 2. **Annual debriefing:** Each country leader must report on safety performance to the Zone leader and/or the Country Governance Board<sup>30</sup>.
- 3. **Risk management:** Risks are identified and managed locally. Risk monitoring is mandatory to adjust the country's mitigation strategy, if necessary.
- 4. **Standard operating procedures<sup>31</sup>:** A library of procedures specifies the technical, organisational and human means to be applied to cover most operational safety risks, unless more demanding local regulations exist.
- 5. **Data collection:** Decathlon collects a set of safety indicators both locally and globally, including the number and frequency of occupational accidents, the number of severe accidents (leading to permanent injury or death) and teammates' responses to the Decathlon Teammates Barometer (DTB) internal survey<sup>32</sup>.

In addition to the minimum safety requirements deployed around the world, every country must also have:

- a **health and safety policy** with a strong emphasis on all the risks that could prevent a fast and efficient evacuation of any premises
- an **adapted human organisation** including a country safety leader who is coached by a referent
- training that is regularly updated** to continuously adapt the skills level to the level of responsibility, risks and regulations (e.g. first aid, fire safety, psychosocial risks, etc.)
- adequately frequent visits, controls, meetings and training** to reliably assess the country's safety situation and properly implement safety operations
- KPIs adapted to the level of responsibility** to measure and continuously improve local safety management.

All of these standards aim particularly to meet Decathlon's goal of zero fatal accidents every year and to protect the physical and mental well-being of its teammates.



Governance

GLOBAL PEOPLE SAFETY MANAGEMENT

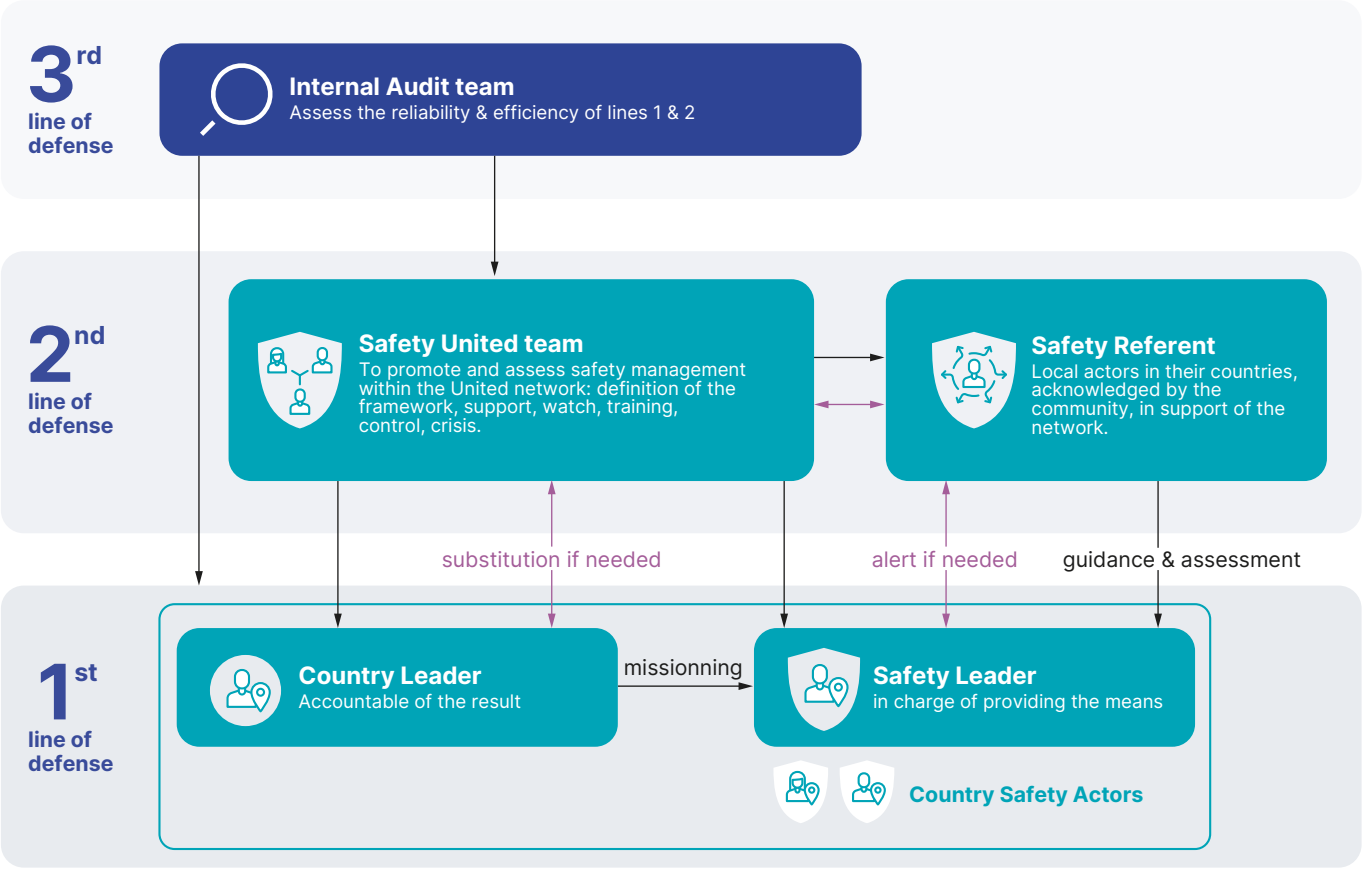
In accordance with the strategy implemented by Decathlon since 2016, every country is responsible for the health and safety of its own team members, customers, suppliers and sports users, in line with local regulations and the level of risk.

To ensure that safety principles are consistent all around the world, and that they are lived by and applied with the same degree of stringency, safety management is structured around three lines of defence<sup>33</sup>:

- 1. **First line of defence:** The country leader reports regularly to their superior on the safety level in their country and appoints a local safety leader. Some country leaders also report regularly to their Governance Board.
- 2. **Second line of defence:** The country's safety referent and safety leader form a working pair. The referent assesses local safety management once a year. The international safety team guides and maintains the skills in the network of country safety leaders and their safety referent. It guarantees the appropriate level of support for each country, provides assistance when needed (in case of a crisis, for example) and assesses the level of local proficiency annually.

Lastly, it provides a temporary local replacement in the event of an abnormal situation, if necessary. Note that the international safety team leader reports directly to the Group Director of Human Resources and reviews safety management annually with the Audit and Financial Committee<sup>34</sup>. Starting in 2024, this review will be conducted with the Executive Committee.

- 3. **Third line of defence:** An internal audit provides oversight and assessment of the two previous levels.



30. The Governance Board is composed of leaders from outside the country (leaders from other countries, departments, Sports & Processes, administrative and financial leaders, etc.).

31. Standard operating procedures (SOP) are documents that provide precise and detailed instructions for performing a given task.

32. "I feel physically safe in my working environment", "I feel psychologically safe in my working environment", "I can take care of my well-being and feel supported (e.g. sport, work-life balance)", more information on the DTB on p. 137.

33. Line of defence: this term refers to risk control in organisations.

34. More information on Decathlon corporate governance on p. 19.

THE INTERNATIONAL  
SAFETY TEAM

The mission of the international safety team is to:

- define and promotes the Group's safety management autonomy framework
- continuously strengthens the safety network (coaching, training, sharing best practices)
- provide the second line of defence alongside the safety referents
- detect and corrects any weaknesses
- provide perspectives for safety management

In 2023, this team was strengthened and structured around the risks associated with the company's main activities (design, production, logistics, retail, franchises) and the two identified cross-functional risks (psychosocial risks and risks related to travel and expatriation).



THE INTERNATIONAL NETWORK

In the autonomy framework defined by the central team, the country safety referents act as coaches and evaluators. They are trained to set up action plans and enforce solutions for resolution. Referents are also the guarantors for the framework, and for verifying and sharing results. Thanks to this second-level control, referents are fully aware of local topics and can independently assess the level of risk in the prevention phase, report incidents, sound the alarm and apply any necessary corrective actions.

Referents also play a real support role, helping everyone responsible for deploying the action plan on the ground become autonomous.

In 2023, referents assessed local safety management in 58 countries (51 in 2022), representing 99% of the company's total workforce (90.2% in 2022). In the 58 countries assessed, the risk management systems were judged:

- Effective in 33% of countries (22% in 2022)
- To need improvement in 60% of countries (51% in 2022)
- Inadequate in 7% of countries (27% in 2022)

No local management system was assessed as being ineffective in 2023.

To improve these results, countries are supported by the second line of defence. In the event of a serious alarm or significant deficiency, a temporary substitute may be appointed from the international team to solve the problems.

KEY FIGURES  
as of 31/12/2023

41 safety referents in the international network

62 safety leaders for retail

10 safety leaders for logistics

5 network meetings held annually

30 safety referents in the international network, 60 safety leaders, and 2 annual network meetings held in 2022

→ 2023 HIGHLIGHTS

A NEW OCCUPATIONAL  
ACCIDENT TRACKING TOOL

In addition to existing national tools, Decathlon launched a new internal app (Work Accident Declare – WAD) in June 2023 to ensure that every teammate<sup>35</sup>, everywhere in the world, can directly and anonymously report any physical or psychological accident<sup>36</sup> or near-accident<sup>37</sup> for all business activities. This app aims to help each country and the entire Group to better understand the nature and root causes of accidents in order to put in place the necessary actions to reduce risk, improve working conditions and well-being, and adjust the company's safety policy, if necessary.

Six webinars were held mid-year to present the app to 180 people from 63 countries (safety leaders, HR staff responsible for accident reporting, etc.). A communication kit was also shared with the countries and a follow-up session was held in December 2023 to review the first six months of use. In 2024, a monthly steering committee will be set up by the international safety team, and each country/zone will also be asked to hold at least one monitoring meeting per quarter, depending on the number of cases identified and their severity.

STRUCTURING PSYCHOSOCIAL  
RISK MANAGEMENT

Decathlon is paying more and more attention to psychosocial risks (PSRs). The company is now setting up an international structure to better prevent these risks and support local teams. A number of decisions and accomplishments gave concrete expression to this desire in 2023, with:

- The appointment of a well-being manager to the international safety team and the drafting of a new dedicated strategy
- The inclusion of two new questions on well-being in the Decathlon Teammates Barometer<sup>38</sup> (see key figures)
- The establishment of international leadership for teammates in charge of PSRs in the countries (48 part-time or full-time people in 37 countries).

KEY FIGURES  
as of 31/12/2023

87% of teammates say they feel psychologically safe in their working environment

83% of teammates say they can take care of their well-being and feel supported (e.g. sport, work-life balance)

Testimonial



ÉRIC BÊME,  
Well-being Manager,  
and skiing enthusiast

"The desire to improve teammate well-being is anchored in Decathlon's DNA: it is expressed through individual monthly appraisals and through the opportunity that everyone has had to express their likes and dislikes for many years. But, with stress levels in society rising, we now need to bolster our action further. Psychosocial risks are increasing due to experiences during the health crisis, geopolitical uncertainties, climate change and resulting extreme weather events. In a time of internal changes caused by the establishment of a new business project, we particularly want to support employees and their managers to ensure we provide everyone with a positive working environment. Decathlon wants to protect both the physical and mental safety of its teammates."

A survey on working  
conditions in France

In 2023, Decathlon France worked with the external consultancy TOIT de SOI<sup>39</sup> on an assessment of psychosocial risks. The objective was to use an anonymous survey to accurately inventory teammates' experiences, to then establish an adapted strategy and implement dedicated action plans. In September, 11,675 employees, representing a participation rate of 54%, answered a questionnaire. TOIT de SOI used their answers to identify several salient points that can impact teammate well-being, such as workload, work interruptions, and how change is perceived in the company. Respondents also mentioned many resources that promote their well-being at work: work-life balance, the general atmosphere in the company, its values and the support provided by other employees and managers. In 2024, workshops involving a panel of teammates from each sector will be held to study these results and develop action plans.

Decathlon France is also continuing work to raise awareness of psychosocial risks (through a workshop dedicated to stress management), train leaders, and communicate (reminding employees of the Enraid' help number)<sup>40</sup>.

35. Five countries have decided to continue using their own local tool (China, France, Germany, Spain and the United Kingdom). The goal is to automatically transfer all data from these tools to the WAD application in 2024 (in 2023, only data from Germany was integrated).

36. Workplace and commuting accidents.

37. According to ISO 45001/2018, a near-accident is "an adverse event that causes no trauma or pathology, but has the potential to do so".

38. More information on the Decathlon Teammates Barometer on p.137.

39. For more information on TOIT de SOI: <https://www.toitdesoi.fr/>.

40. For more information, see NFRD 2022, p. 43.



# SKILLS AND DEVELOPMENT

## Creating fulfilment and performance trajectories

Training employees throughout their professional life is a key part of maintaining the skills levels needed to gradually transform business strategies.

**At Decathlon, training aims to allow each teammate to experience their work with fulfilment and performance. To help them do so, the company has put in place all the necessary tools to maintain and develop know-how and people skills.**

The company's vision of skills management is based on two key principles. First, skills acquisition must be accessible everywhere, in different forms, throughout a person's professional life.

To do this, Decathlon has been working to digitise content for several years so that every teammate can develop their skills, regardless of where they work. Secondly, each employee is responsible for developing their own skills, with assistance from his or her leader.

In this context, the company has created a skills referent role to share knowledge and concrete experiences. The referent can support teammates as they learn to fit in, and acquire and develop skills.

### 2023 HIGHLIGHTS

In 2023, the company completely overhauled its training model through its new international project called **Decathlon University, bringing together technical know-how and people skills in the same ecosystem.**

**Decathlon reorganised its training course catalogue** to ensure it matches the company's new purpose. It will be available in 2024, the same year Decathlon University will be launched.

KEY FIGURES as of 31/12/2023

**59**  
countries have adopted the Decathlon digital platform<sup>41</sup>  
52 in 2022

**73%**  
of teammates have had at least three hours of training in the last two years  
71.1% in 2022

**85%**  
of teammates say they receive assistance in developing their know-how  
86% in 2022

## Decathlon University: a new international skills development project

In 2023, Decathlon made a strategic shift in training by creating **Decathlon University**, a concept that combines physical locations and an online platform (available in 2024) **to provide technical know-how and people skills in a single ecosystem.** The Group is merging the skills training that was previously offered by **Decathlon Academy** (technical training) and **Decathlon Exchange** (values, purpose, human fundamentals, personal management and development) to create a **new training environment based on cross-functional and international teammate skill development.** Through this project, Decathlon wants to adapt its training offer to keep in step with major societal changes and **harmonise the skill level benchmarks** for all teammates by **modernising the tools dedicated to it.**

To be in line with the 2023-2026 business project, Decathlon University is focusing on three fundamental ambitions:

- **Become a school of expertise** for technical skills, human fundamentals and personal development
- **Become a school of excellence** for managing and sharing the company's history, culture, purpose, values and evolution
- **Create a space for physical and mental well-being** (physical fitness, sleep, nutrition and mental preparation).

To implement such changes, Decathlon University's creation was paired with broader considerations on the project's operational management. As a result, the Group is moving towards new digital tools to **increase teammates' autonomy** in creating their own training path within the company and to **improve their experience on the platform.**

Digitisation will also improve the reliability of data reporting related to teammate development so that the course offering can be refined.

In 2024, the project will enter a deployment phase with the **launch of the digital platform** and the **opening of physical locations internationally** (replacing Decathlon Exchange sites) where teammates will have access to new training resources. To meet its goal of prioritising everyone's mental and physical well-being, **Decathlon will also inaugurate the "House of Health and Well-Being" in 2024**, a physical space that will bring together all the tools and training available to raise teammates' awareness of these concepts.

#### Testimonial



**Fabrice LISARDI,**  
Skills Development Leader,  
and hiking enthusiast

*"With Decathlon University, the Group is launching a completely new training model, serving the company's purpose and adapting to the changes we see around us. It will provide teammates with a true life experience, and will put all the resources they need to define their path in one place."*

### Technical skills

In reorganising its training catalogue, **Decathlon has redefined all its existing courses.** By 2025, this work will allow us to use **standardised data** at the Group level to **accurately map employees' skills levels** by area of expertise.

Pending the roll-out of Decathlon University planned for 2024, **Decathlon Academy has continued to provide the technical training catalogue offered within the Group.**

#### Top five in-class courses in 2023:

1. Going towards (focusing on excellence in customer relations)
2. Store safety (mandatory training for retail teammates)
3. The Climate Fresk
4. Being an effective omni-channel seller
5. Suggesting the right equipment

#### Top five digital courses in 2023:

1. Incorporating safety (mandatory for retail teammates)
2. The basics of the circular economy
3. Managing in-store inventories
4. Promoting sustainable mobility
5. Discovering rentals

41. The platform's interface is available in 50 languages; each country can translate the content locally based on its needs.

Personal development  
and the corporate culture

In 2023, the Group reoriented its people-skills training strategy toward a **global project focused on personal development and the corporate culture**. Pending the implementation of these changes at Decathlon University planned in 2024, Decathlon Exchange continued to operate in line with the priorities identified in 2022:

- **Share the corporate culture (purpose, values and human fundamentals)** through six fundamental training courses accessible to everyone, which were created around the pillars of empowering leadership: “Recruiting different personalities”, “My responsibilities as a Decathlonian”, “The fundamentals of a leader”, “Co-building and leading my project”, “Leading an effective and constructive meeting” and “Values and Intentions”. Since 2022, there has also been a programme to help teammates (re)discover the corporate culture, consisting of a 30-minute e-learning course, a “Living Values through Sport” workshop and two “Value and Purpose” and “Values and Intentions” seminars
- **Support leadership** with a variety of content including the “Management Leaders” seminar, inspiring conferences, and workshops/trainings such as: “Learning to trust others and learning to let go” or “Revealing the intrapreneur in me”
- **Continue the digitisation** begun in 2020, to facilitate access to content for as many people as possible
- **Experiment with new teaching methods** through short videos and podcasts posted on Decathlon’s YouTube channel, to share the company’s values and help teammates become autonomous in subjects of responsibility
- **Open up to the outside world** so that associations, partners, alumni and other company stakeholders can benefit from what makes Decathlon unique and develop their own sense of responsibility, with training already provided to people from other companies and associations.

Onboarding

In 2023, Decathlon introduced a **new international onboarding programme** for teammates recruited for high responsibility positions. In order to support the Group’s project, the programme is resolutely **focused on corporate culture**, ensuring a coherent transition on a global scale. This accelerated training is **specifically adapted to the needs of leaders**, so that they can **embody the purpose and values** of Decathlon, as well as support teams in the strategic shift led by the company.

This week-long integration called “One Decathlon Week” aims to **create connections between leaders** from different countries or sectors, as well as between new leaders and experienced teammates with high responsibilities (members of the Executive Committee, head of services, business leaders). **Several key themes** are covered during the programme:

- Engaging with Decathlon’s culture
- Aligning with key stakeholders (collaboration and problem-solving behaviours)
- Understanding the company’s strategic ambition and the role of leader
- Promoting talent development (including health and physical/mental well-being) and career advancement.

At the end of the programme, periodical meetings are organised in order to maintain links between the leaders.

In 2023, **41 teammates of 14 different nationalities (representing 16 countries)** who joined Decathlon in leadership roles took part in this programme. Of these, 50% had been recruited externally, while the other half had been promoted internally. In this respect, the diversity of career paths allows new perspectives to be opened up, while maintaining a high degree of consistency with the company’s values and purpose.

SHARING VALUE  
AND SHAREHOLDING

Fair compensation for everyone  
who contributes to performance

Requirements in terms of skills and human capital are constantly evolving. In this context, Decathlon wants to be a competitive company that is committed and empowering when it comes to sharing value. So, the company has put in place strategies focused on employee compensation and shareholding.

**The main goal is to pay teammates appropriately according to their responsibilities and their contribution to the company’s performance through the value they create.** This is possible thanks to a compensation package and employee savings scheme<sup>45</sup> that allows teammates to benefit from, and contribute to, the company’s development.

To be competitive, this package is based on remuneration that is:

- **Individual and collective**
- **Fixed and variable**
- **Short term and long term**
- **Monetary and non-monetary**, including employee benefits that can differ according to the local laws in the countries.

The desire to share some of the value that is generated with each teammate is part of Decathlon’s values, so that everyone, through the employee savings scheme, can act as a co-investor and build assets from a professional source.



2023  
HIGHLIGHTS

In 2023 and in eligible countries, **Decathlon included a sustainable development indicator when calculating the variable portion of teammate remuneration.**

The company is committed to ensuring that **100% of its employees are paid a “living wage”** by 2026.

**Indonesia and Luxembourg** now have access to employee shareholding.

**55.7% of employees are shareholders**

**56,119** shareholders in 2023, i.e. **3%** more compared to 2022

**€3.1 bn** payroll worldwide  
**€3.09 bn** in 2022

**58% of teammates believe that their pay is fair in relation to their responsibilities and performance<sup>43</sup>**  
**62%** in 2022

**85% of teammates believe that they are involved in Decathlon’s performance and share the value they create**  
**88%** in 2022

KEY FIGURES as of 31/12/2023

42. Measure made available in 50 countries in 2023.  
43. In 2023, global inflation affected both employees’ purchasing power and the company’s results, leading to a decline in teammate satisfaction with remuneration.

Remuneration

At Decathlon, remuneration and benefits decisions are based on the principle of a **comprehensive package reflecting the company's values**, which is implemented **according to local regulations and collective agreements**. Each year, the base wage is the focus of a **collective and individual revaluation campaign** based on skills and **performance with respect to the objectives set during annual appraisals**. So, **Decathlon assigns value to employee initiative and responsibility**, while also providing teammates with access to information on remuneration elements.

In 2023, **Decathlon surveyed the remuneration structure** in the countries where the company operates. This inventory provides **full visibility of the elements composing teammates' remuneration packages** and also facilitates **information sharing between countries** to make it possible to study the bases shared by the entire Group. Among other things, this overview allows HR leaders in the countries to be inspired by existing models while taking the local context into account.



INCLUDING ENVIRONMENTAL CRITERIA IN THE VARIABLE PORTION OF TEAMMATE REMUNERATION

Since 2023, in countries where the economic situation allows (maturity of the country, existence of a monthly bonus in the remuneration package structure, agreement with trade unions and labour partners, etc.), the variable portion of remuneration also includes a **sustainable development indicator**. In this way, Decathlon pairs employee performance with the Group's environmental goals. This indicator varies according to the teammates' sector of activity, and can include:

- **In stores:** circular economy sales (repairs, second life, rentals)
- **In design:** sales of products created using an eco-design approach
- **In services and for value chain management teammates:** reduction in absolute CO<sub>2</sub> emissions with respect to 2021.

Following the integration of this indicator, **the variable portion of remuneration is now calculated in part<sup>44</sup> on Decathlon's environmental performance** to empower and involve all teammates in the Group's environmental transition.

As of 31 December 2023, this remuneration model concerned 72,448 people, representing 90.1% of the permanent contract workforce.

THE RESPONSIBLE REMUNERATION PROJECT

Through its purpose, Decathlon aspires to become a virtuous player in tomorrow's society. In response to global inflation and local minimum incomes that are sometimes insufficient to meet daily needs, **the company committed in 2023 to ensure all of its employees are paid a "living wage"<sup>45</sup> by 2026**. To achieve this, Decathlon is working with **WageIndicator<sup>46</sup>**, an independent foundation working to increase transparency in the labour market to determine what this means at the local level where the Group operates. At the same time, the project teams conducted a global study to determine the lowest wages by position, and thus determine the discrepancy with the living wage as defined by WageIndicator.

With this project, Decathlon aims to support countries in implementing **sustainable solutions** that ensure all employees receive a living wage. In 2023, 56 of the 57 countries in which Decathlon owns stores<sup>47</sup> were included in this study. In 2024, production and logistics teammates will be added to the calculation, which will then cover 85% of Decathlon's workforce.

Shareholding

STRENGTHENING A SENSE OF BELONGING THROUGH SHAREHOLDING

Shareholding is an opportunity for teammates **to invest in their business over the long term and to take part in a shared adventure**. It gives them an opportunity to better understand the economic and financial running of the company, to feel more involved, responsible, and to build assets from a professional source. With teammates who contribute to economic performance, shareholding becomes an asset for the company and makes it more attractive.

Decathlon teammates are given shareholding information by the 500 relays in all the countries concerned. The relays' mission is to ensure that everyone receives the same information through a detailed explanation of how the shareholding scheme works.

In 2023, **two countries joined Decathlon's share ownership scheme : Indonesia and Luxembourg**. During that time, two countries left the scheme: Russia and Sweden<sup>48</sup>.

**In total, Decathlon had 56,119 employee shareholders in 50 countries in 2023.**

INCLUDING NON-FINANCIAL CONCEPTS IN DECATHLON'S SHARE VALUE

Each year, independent experts evaluate Decathlon's financial trajectory based on market data in order to determine the change in its share value. Since 2022, the result of this calculation has been re-evaluated in the form of a bonus-malus based on the Group's non-financial performance, to reveal Decathlon's efforts with the company's co-investors. Including non-financial criteria in this manner serves as an incentive to meet the objectives set in all the company's strategies.

So in this way, Decathlon's non-financial performance is assessed globally, with a focus on certain **representative environmental and social indicators**:

- Gender diversity in top management
- Internationalisation of top management
- Supplier panel performance on human responsibility in production issues
- Accident rate
- Implementation of a living wage policy
- Reduction of CO<sub>2</sub> emissions in absolute terms
- Share of revenues from so-called circular activities
- Sales of products created using an eco-design approach
- Supplier panel performance on environmental responsibility in production issues
- A qualitative approach on avoided emissions and the impact on biodiversity

What is the money invested in DECAVAL used for?



**Reimbursement requests**  
**€30** are used for reimbursement requests from employees.

**Implementation of Decathlon's strategy**  
**€70** are used exclusively to implement the strategy involving all teammates.

<sup>44</sup>. The share of the environmental indicator in variable remuneration can vary depending on the country and the scope.

<sup>45</sup>. A "living wage" is the monetary remuneration paid to a full-time employee for a standard working week in a given location, that is sufficient to guarantee a decent standard of living for the employee and their family. (Anker & Anker, 2017). Elements of a decent standard of living include food, water, housing, education, health care, transport, clothing and other basic needs, including dealing with unexpected events.

<sup>46</sup>. For more information on WageIndicator: <https://wageindicator.org/>.

<sup>47</sup>. The study takes into account an average of two regions per country, including the capital and another region selected by the local team (if Decathlon has stores in other regions), to measure the hypothetical gap between the lowest wage and subsistence wages, i.e. 94 regions in 56 countries.

<sup>48</sup>. For more information, see methodological note 103, p. 169.

# PERFORMANCE INDICATORS

Wherever possible, social indicators are reported on a worldwide basis covering all countries where Decathlon has employees. Where this is not the case, the scope of the indicators focuses on a sample of 22 of the most representative countries in terms of workforce, in order to cover the broadest and most exhaustive scope possible and thus guarantee the relevance of the data published. The 22 countries (France, Spain, Italy, Belgium, Mainland China, Germany, Portugal, Poland, India, Hungary, Turkey, Brazil, the Czech Republic, Romania, the United Kingdom, Morocco, the Netherlands, Mexico, Taiwan, Switzerland, Singapore and Canada) cover 90% of the workforce worldwide. It should be noted that Russia was included in the workforce data in 2022 and has been removed from the 2023 scope as Decathlon no longer has a subsidiary or stores in this country. For each family of indicators, the scope (worldwide or 22 countries) is systematically specified.

| TEAMMATES WELL-BEING                                                                                                                                                                                                                        |                                                                                   | 2022           | 2023              |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|----------------|-------------------|
| WORKFORCE - WORLDWIDE SCOPE                                                                                                                                                                                                                 |                                                                                   |                |                   |
| Total workforce (as of 31/12)                                                                                                                                                                                                               |  | 104,116        | 100,701 (Note 85) |
| Workforce by gender (as of 31/12):                                                                                                                                                                                                          |                                                                                   |                |                   |
| → Number of women                                                                                                                                                                                                                           |                                                                                   | 48,204 (46.3%) | 46,432 (46.1%)    |
| → Number of men                                                                                                                                                                                                                             |                                                                                   | 55,912 (53.7%) | 54,269 (53.9%)    |
| NFRD 2023 methodological notes                                                                                                                                                                                                              |                                                                                   |                |                   |
| Note 85: This indicator takes into account teammates on permanent contracts, non-permanent contracts and other contracts (trainees, students, etc.) in the company as of 31/12/2023, depending on the legislation in force in each country. |                                                                                   |                |                   |
| Breakdown of total number of employees by country/region (as of 31/12):                                                                                                                                                                     |                                                                                   |                |                   |
| → France                                                                                                                                                                                                                                    |                                                                                   | 24,691         | 23,489            |
| → Spain                                                                                                                                                                                                                                     |                                                                                   | 10,875         | 10,917            |
| → Belgium                                                                                                                                                                                                                                   |                                                                                   | 3,254          | 2,776             |
| → Italy                                                                                                                                                                                                                                     |                                                                                   | 8,936          | 8,687             |
| → Mainland China                                                                                                                                                                                                                            |                                                                                   | 10,510         | 11,282            |
| → Portugal                                                                                                                                                                                                                                  |                                                                                   | 1,846          | 1,885             |
| → Poland                                                                                                                                                                                                                                    |                                                                                   | 3,311          | 3,402             |
| → Germany                                                                                                                                                                                                                                   |                                                                                   | 5,161          | 5,322             |
| → Russia                                                                                                                                                                                                                                    |                                                                                   | 1,571          | -                 |
| → Hungary                                                                                                                                                                                                                                   |                                                                                   | 1,606          | 1,419             |
| → India                                                                                                                                                                                                                                     |                                                                                   | 5,113          | 5,604             |
| → Brazil                                                                                                                                                                                                                                    |                                                                                   | 2,196          | 2,108             |
| → Czech Republic                                                                                                                                                                                                                            |                                                                                   | 1,868          | 1,787             |
| → Turkey                                                                                                                                                                                                                                    |                                                                                   | 2,388          | 2,353             |
| → Romania                                                                                                                                                                                                                                   |                                                                                   | 1,654          | 1,595             |
| → United Kingdom                                                                                                                                                                                                                            |                                                                                   | 1,610          | 1,402             |
| → Morocco                                                                                                                                                                                                                                   |                                                                                   | 1,020          | 693               |
| → Mexico                                                                                                                                                                                                                                    |                                                                                   | 614            | 680               |
| → Netherlands                                                                                                                                                                                                                               |                                                                                   | 1,647          | 1,646             |
| → Taiwan                                                                                                                                                                                                                                    |                                                                                   | 916            | 930               |
| → Switzerland                                                                                                                                                                                                                               |                                                                                   | 918            | 1,022             |
| → Singapore                                                                                                                                                                                                                                 |                                                                                   | 751            | 776               |
| → Canada                                                                                                                                                                                                                                    |                                                                                   | 942            | 912               |
| → Other countries                                                                                                                                                                                                                           |                                                                                   | 10,718         | 10,014            |

| TEAMMATES WELL-BEING                          | 2022           | 2023           |
|-----------------------------------------------|----------------|----------------|
| WORKFORCE - WORLDWIDE SCOPE                   |                |                |
| Workforce by age group (as of 31/12):         |                |                |
| → Under 29                                    | 59,127 (56.8%) | 54,864 (54.5%) |
| → Under 20                                    | 5,296 (5.1%)   | 5,109 (5.1%)   |
| → From 20 to 29                               | 53,831 (51.7%) | 49,755 (49.4%) |
| → From 30 and 49                              | 41,003 (39.4%) | 41,376 (41.1%) |
| → From 30 to 39                               | 31,051 (29.8%) | 30,903 (30.7%) |
| → From 40 to 49                               | 9,952 (9.6%)   | 10,473 (10.4%) |
| → 50 and over                                 | 3,986 (3.8%)   | 4,461 (4.4%)   |
| Workforce by geographical area (as of 31/12): |                |                |
| → % Europe                                    | 68.8%          | 67.6%          |
| → % Asia                                      | 20.6%          | 22.4%          |
| → % Africa & Middle-East                      | 5.0%           | 4.6%           |
| → % Americas                                  | 5.3%           | 5.2%           |
| → % Oceania                                   | 0.3%           | 0.3%           |
| Workforce by activity (as of 31/12)           |                |                |
| → % retail and Web services                   | 76.6%          | 76.5%          |
| → % logistics                                 | 11.3%          | 10.3%          |
| → % design / production                       | 5.5%           | 5.6%           |
| → % support activities                        | 6.6%           | 7.7%           |

| TEAMMATES WELL-BEING                                     | 2022   | 2023            |
|----------------------------------------------------------|--------|-----------------|
| PERMANENT AND NON-PERMANENT (WORLDWIDE)                  |        |                 |
| Employees on permanent contracts (as of 31/12):          | 84,336 | 80,427          |
| → % Europe                                               | n/a    | 56,229          |
| → % Asia                                                 | n/a    | 15,731          |
| → % Africa & Middle-East                                 | n/a    | 4,171           |
| → % Americas                                             | n/a    | 4,047           |
| → % Oceania                                              | n/a    | 249             |
| % of employees on permanent contracts (as of 31/12)      | 81.0%  | 79.9% (Note 86) |
| Employees on non-permanent contracts (as of 31/12)       | 14,479 | 14,274          |
| → % Europe                                               | n/a    | 8,749           |
| → % Asia                                                 | n/a    | 4,072           |
| → % Africa & Middle-East                                 | n/a    | 931             |
| → % Americas                                             | n/a    | 509             |
| → % Oceania                                              | n/a    | 13              |
| % of employees on non-permanent contracts (as of 31/12)  | 13.9%  | 14.1%           |
| % of employees on other types of contracts (as of 31/12) | 5.1%   | 6.0% (Note 87)  |

**NFRD 2023 methodological notes**  
**Note 86:** On 80,428 teammates on permanent contracts and 14,274 on non-permanent contracts as of 31/12/2023 worldwide.  
These figures should be viewed in the context of the specific legislation in each country, where the definition of an employment contract (permanent, non-permanent) can vary considerably.  
**Note 87:** As of 31/12/2023, worldwide, 6,000 teammates are covered by "other types of contracts", a category that includes trainees/students, excluding contractors in the calculation of the indicator.  
Note that some countries do not distinguish between student/trainee contracts which are categorised as permanent or non-permanent contracts.

| TEAMMATE RECRUITMENTS & DEPARTURES (22 COUNTRIES/REGIONS)                  |        |                 |
|----------------------------------------------------------------------------|--------|-----------------|
| Number of hires on permanent contracts (from 01/01 to 31/12)               | 22,591 | 18,515          |
| Number of hires on non-permanent contracts (from 01/01 to 31/12)           | 46,515 | 43,390          |
| Total hires on permanent and non-permanent contracts (from 01/01 to 31/12) | 69,106 | 61,905          |
| Number of resignations on permanent contracts (from 01/01 to 31/12)        | 17,838 | 16,024          |
| Number of redundancies on permanent contracts (from 01/01 to 31/12)        | 2,528  | 2,197           |
| Number of retirements on permanent contracts (from 01/01 to 31/12)         | 68     | 58              |
| Other departures on permanent contracts (from 01/01 to 31/12)              | 3,434  | 3,435 (Note 88) |
| Total departures on permanent contracts (from 01/01 to 31/12)              | 23,868 | 21,714          |

| TEAMMATES WELL-BEING                                     | 2022  | 2023      |
|----------------------------------------------------------|-------|-----------|
| TURNOVER (22 COUNTRIES/REGIONS)                          |       |           |
| Turnover rate for permanent staff (from 01/01 to 31/12): |       | (Note 89) |
| → France                                                 | 21.1% | 20.8%     |
| → Spain                                                  | 28.9% | 35.4%     |
| → Belgium                                                | 16.1% | 19.1%     |
| → Italy                                                  | 10.7% | 10.1%     |
| → Mainland China                                         | 24.7% | 30.2%     |
| → Portugal                                               | 21.8% | 19.8%     |
| → Poland                                                 | 26.1% | 19.3%     |
| → Russia                                                 | 75.1% | -         |
| → Germany                                                | 55.6% | 50.2%     |
| → Hungary                                                | 28.8% | 32.2%     |
| → India                                                  | 55.0% | 45.0%     |
| → Brazil                                                 | 44.1% | 47.3%     |
| → Czech Republic                                         | 24.8% | 30.8%     |
| → Turkey                                                 | 65.2% | 60.9%     |
| → Romania                                                | 23.9% | 28.8%     |
| → United Kingdom                                         | 42.5% | 50.9%     |
| → Morocco                                                | 67.6% | 80.0%     |
| → Mexico                                                 | 38.2% | 25.8%     |
| → Netherlands                                            | 52.4% | 56.0%     |
| → Taiwan                                                 | 53.1% | 48.3%     |
| → Switzerland                                            | 31.5% | 18.9%     |
| → Singapore                                              | 73.3% | 70.4%     |
| → Canada                                                 | 84.0% | 70.7%     |

**NFRD 2023 methodological notes**  
**Note 88:** It should be noted that the "Other departures" category takes into account, in particular, mutually agreed terminations, end of trial periods, etc.  
**Note 89:** The turnover indicator is calculated on an average annual workforce on permanent contracts.

| FULL-TIME AND PART-TIME (22 COUNTRIES/REGIONS)                    |       |                 |
|-------------------------------------------------------------------|-------|-----------------|
| % of employees on permanent full-time contracts (as of 31/12)     | 63.3% | 64.5% (Note 90) |
| % of employees on permanent part-time contracts (as of 31/12)     | 36.7% | 35.5%           |
| % of employees on non-permanent full-time contracts (as of 31/12) | 26.1% | 20.3%           |
| % of employees on non-permanent part-time contracts (as of 31/12) | 73.9% | 79.7%           |

**NFRD 2023 methodological notes**  
**Note 90 :** On 71,830 on permanent contracts and 12,916 on non-permanent contracts in the 22 countries/regions considered for these indicators.

| RESULTS OF THE DECATHLON TEAMMATES BAROMETER SURVEY (DTB)                                                                                    | 2022   | 2023          |
|----------------------------------------------------------------------------------------------------------------------------------------------|--------|---------------|
| DTB                                                                                                                                          |        |               |
| % teammates who participated in the Decathlon Teammates Barometer Survey                                                                     | 83%    | 84% (Note 91) |
| Number of teammates who participated in the DTB survey                                                                                       | 72,361 | 71,307        |
| % of teammates who answered "Yes, completely" or "Yes, mostly" to the question:                                                              |        |               |
| I LIVE ACCORDING TO OUR PURPOSE, OUR VALUES AND OUR CORPORATE CULTURE                                                                        |        |               |
| → Our values of Vitality, Responsibility, Generosity and Authenticity live around me                                                         | 88%    | 88%           |
| → I know the new purpose of Decathlon: "Move People through the Wonders of Sport"                                                            | n/a    | 91%           |
| → To "Move People through the Wonders of Sport" motivates me and guides my actions daily                                                     | 93%    | 83%           |
| → I know Decathlon's project (the 5 strategic pillars)                                                                                       | n/a    | 90%           |
| → I contribute to Decathlon's project through my responsibilities                                                                            | n/a    | 90%           |
| → I am proud of Decathlon's products                                                                                                         | 96%    | 95%           |
| → I am proud to work at Decathlon                                                                                                            | 93%    | 93%           |
| MY RESPONSIBILITY, MY PROGRESS AND OUR LEADERSHIP                                                                                            |        |               |
| → I receive guidance to develop my skills                                                                                                    | 86%    | 85%           |
| → I receive guidance to develop my performance                                                                                               | 87%    | 86%           |
| → I progress in the use of digital tools within my responsibilities                                                                          | 90%    | 90%           |
| MY INSPIRING CAREER AT DECATHLON                                                                                                             |        |               |
| → My knowledge in digital skills allows me to take better decisions                                                                          | n/a    | 89%           |
| → I am able to do the necessary training to improve my level of skills                                                                       | n/a    | 86%           |
| → I have an end of year appraisal that allows me to evaluate my performance, measure my progress and reflect on the next steps on my journey | 93%    | 93%           |

| RESULTS OF THE DECATHLON TEAMMATES BAROMETER SURVEY (DTB)                                                                                 | 2022                                                                  | 2023 |
|-------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------|------|
| I PERFORM, WE CREATE VALUE                                                                                                                |                                                                       |      |
| → I create human, sustainable and economic value for the company's project                                                                | 93%                                                                   | 93%  |
| → My salary and remuneration package are fair considering my responsibilities and my performance                                          | 62%                                                                   | 58%  |
| → I am associated to our performances in Decathlon. We share the value we create                                                          | 88%                                                                   | 85%  |
| → I feel that I co-own Decathlon through the shareholder scheme                                                                           | 73%                                                                   | 71%  |
| → I have a measurable mission with clear KPIs                                                                                             | 85%                                                                   | 83%  |
| → I am an actor in the preservation of the environment: my mission includes at least one sustainability KPI for which I am evaluated      | 74%                                                                   | 76%  |
| → I regularly report my progress in relation to my commitments to the collective I work with                                              | 90%                                                                   | 87%  |
| I FEEL CONSIDERED AND IN MY PLACE                                                                                                         |                                                                       |      |
| → I can be myself in my daily actions                                                                                                     | 93%                                                                   | 91%  |
| → I am treated with respect                                                                                                               | 94%                                                                   | 94%  |
| → I feel physically safe in my work environment                                                                                           | 94%                                                                   | 94%  |
| → I feel psychologically safe in my work environment                                                                                      | n/a                                                                   | 87%  |
| → I value the diversity that Decathlon brings to the team and its leadership                                                              | n/a                                                                   | 91%  |
| → I can take care of my wellbeing and feel supported (e.g. sport, work-life balance)                                                      | n/a                                                                   | 83%  |
| TOGETHER WE WIN AS A TEAM                                                                                                                 |                                                                       |      |
| → Communication within my team is open and transparent                                                                                    | 86%                                                                   | 87%  |
| → We do sport and celebrate victories together                                                                                            | 85%                                                                   | 79%  |
| → Between teammates, we help each other when necessary                                                                                    | 94%                                                                   | 94%  |
| CONCLUSION                                                                                                                                |                                                                       |      |
| → To summarise, I am happy to come to work every morning and to work for our team project, my project, and for the Purpose of our company | <div><div>VERIFIED INFORMATION</div><div>mazars Audit</div></div> 91% | 89%  |

NFRD 2023 methodological notes

Note 91: Results of the Decathlon Teammates Barometer carried out in 2023 among Decathlon teammates: 71,307 respondents in 64 participating countries/regions. External questions were included for the first time this year in the Decathlon Teammates Barometer, which explains the lack of data reported for 2022.

| DIVERSITY AND INCLUSION                         | 2022  | 2023      |
|-------------------------------------------------|-------|-----------|
| DIVERSITY & GENDER (WORLDWIDE)                  |       |           |
| Breakdown of teammates by gender (as of 31/12): |       | (Note 92) |
| Worldwide:                                      |       |           |
| → % women                                       | 46.3% | 46.1%     |
| → % men                                         | 53.7% | 53.9%     |
| Europe:                                         |       |           |
| → % women                                       | 47.2% | 46.8%     |
| → % men                                         | 52.8% | 53.2%     |
| Asia:                                           |       |           |
| → % women                                       | 45.0% | 44.9%     |
| → % men                                         | 55.0% | 55.1%     |
| Africa & Middle-East:                           |       |           |
| → % women                                       | 42.4% | 43.8%     |
| → % men                                         | 57.6% | 56.2%     |
| Americas:                                       |       |           |
| → % women                                       | 43.4% | 44.7%     |
| → % men                                         | 56.6% | 55.3%     |
| Oceania:                                        |       |           |
| → % women                                       | 38.6% | 39.3%     |
| → % men                                         | 61.4% | 60.7%     |

NFRD 2023 methodological notes  
Note 92: Target of "50% women and 50% men" by 2026.

| DIVERSITY AND INCLUSION                                        | 2022                                                                  | 2023          |
|----------------------------------------------------------------|-----------------------------------------------------------------------|---------------|
| DIVERSITY & NUMBER OF NATIONALITIES (22 COUNTRIES/REGIONS)     |                                                                       |               |
| Number of nationalities (as of 31/12):                         |                                                                       |               |
| → France                                                       | 74                                                                    | 84            |
| → Spain                                                        | 52                                                                    | 53            |
| → Belgium                                                      | 32                                                                    | 29            |
| → Italy                                                        | 71                                                                    | 70            |
| → Mainland China                                               | 18                                                                    | 19            |
| → Portugal                                                     | 10                                                                    | 15            |
| → Poland                                                       | 8                                                                     | 9             |
| → Russia                                                       | 8                                                                     | -             |
| → Germany                                                      | 82                                                                    | 86            |
| → Hungary                                                      | 6                                                                     | 6             |
| → India                                                        | 5                                                                     | 6             |
| → Brazil                                                       | 6                                                                     | 7             |
| → Czech Republic                                               | 6                                                                     | 8             |
| → Turkey                                                       | 6                                                                     | 5             |
| → Romania                                                      | 6                                                                     | 5             |
| → United Kingdom                                               | 72                                                                    | 67            |
| → Morocco                                                      | 2                                                                     | 1             |
| → Mexico                                                       | 9                                                                     | 12            |
| → Netherlands                                                  | 54                                                                    | 33            |
| → Taiwan                                                       | 10                                                                    | 12            |
| → Switzerland                                                  | 40                                                                    | 40            |
| → Singapore                                                    | 27                                                                    | 25            |
| → Canada                                                       | n/a                                                                   | 26            |
| DIVERSITY & INTERNATIONALISATION OF TOP MANAGEMENT (WORLDWIDE) |                                                                       |               |
| % internationalisation of top management (as of 31/12)         | <div><div>VERIFIED INFORMATION</div><div>mazars Audit</div></div> 23% | 27% (Note 93) |

NFRD 2023 methodological notes  
Note 93: The Top Management scope includes the company's key executives, such as the members of the Executive Committee and the CEO's direct team, as well as the hierarchical leaders of the various departments such as Value Chain, Sports and Products, Retail and Digital. This population also includes strategic positions deemed essential by the sectors concerned. These strategic positions can be reconsidered as the company's needs evolve.

| DIVERSITY AND INCLUSION                       |                                                                   | 2022        | 2023          |
|-----------------------------------------------|-------------------------------------------------------------------|-------------|---------------|
| DIVERSITY & LEADERSHIP (22 COUNTRIES/REGIONS) |                                                                   |             |               |
| Number of women leaders (as of 31/12):        | <div><div>VERIFIED INFORMATION</div><div>mazars Audit</div></div> |             | (Note 94)     |
| → France                                      |                                                                   | 854 (28.8%) | 868 (28.6%)   |
| → Spain                                       |                                                                   | 822 (43.9%) | 655 (43.2%)   |
| → Belgium                                     |                                                                   | 103 (27.4%) | 122 (29.2%)   |
| → Italy                                       |                                                                   | 526 (38.7%) | 432 (38.3%)   |
| → Mainland China                              |                                                                   | 968 (51.6%) | 837 (53.2%)   |
| → Portugal                                    |                                                                   | 109 (36.6%) | 110 (39.3%)   |
| → Poland                                      |                                                                   | 282 (52.9%) | 271 (53.9%)   |
| → Russia                                      |                                                                   | 209 (42.5%) | -             |
| → Germany                                     |                                                                   | 304 (39.5%) | 258 (36.3%)   |
| → Hungary                                     |                                                                   | 143 (48.5%) | 147 (50.5%)   |
| → India                                       |                                                                   | 181 (18.2%) | 214 (19.3%)   |
| → Brazil                                      |                                                                   | 162 (37.8%) | 165 (41.1%)   |
| → Czech Republic                              |                                                                   | 120 (41.4%) | 120 (41.1%)   |
| → Turkey                                      |                                                                   | 140 (33.3%) | 148 (35.5%)   |
| → Romania                                     |                                                                   | 140 (42.8%) | 144 (46.9%)   |
| → United Kingdom                              |                                                                   | 182 (40.4%) | 119 (38%)     |
| → Morocco                                     |                                                                   | 73 (42%)    | 58 (46%)      |
| → Mexico                                      |                                                                   | 42 (42.9%)  | 48 (49.5%)    |
| → Netherlands                                 |                                                                   | 78 (31.5%)  | 90 (33%)      |
| → Taiwan                                      |                                                                   | 80 (55.2%)  | 77 (56.6%)    |
| → Switzerland                                 |                                                                   | 55 (31.8%)  | 57 (33.7%)    |
| → Singapore                                   |                                                                   | 39 (39.8%)  | 35 (38.9%)    |
| → Canada                                      |                                                                   | 46 (28.2%)  | 55 (29.7%)    |
| % of women leaders in top management          | <div><div>VERIFIED INFORMATION</div><div>mazars Audit</div></div> | 19%         | 31% (Note 93) |

NFRD 2023 methodological notes  
Note 94: Teammates with at least 1 line manager.

| DIVERSITY & DISABILITY (22 COUNTRIES/REGIONS)                       |      |           |
|---------------------------------------------------------------------|------|-----------|
| Percentage of teammates with recognised disabilities (as of 31/12): |      | (Note 95) |
| → France                                                            | 3.2% | 3.5%      |
| → Spain                                                             | 2.0% | 2.3%      |
| → Belgium                                                           | n/a  | n/a       |
| → Italy                                                             | 3.8% | 3.9%      |
| → Mainland China                                                    | 0.1% | 0.1%      |
| → Portugal                                                          | 0.7% | 0.9%      |
| → Poland                                                            | 0.9% | 1.1%      |
| → Russia                                                            | 0.5% | -         |
| → Germany                                                           | 0.6% | 0.5%      |
| → Hungary                                                           | 1.1% | 1.2%      |
| → India                                                             | 0.7% | 0.6%      |
| → Brazil                                                            | 2.2% | 2.4%      |
| → Czech Republic                                                    | 0.3% | 0.3%      |
| → Turkey                                                            | 1.6% | 1.2%      |
| → Romania                                                           | 3.5% | 3.8%      |
| → United Kingdom                                                    | 0.1% | 0.0%      |
| → Morocco                                                           | 0.2% | 0.3%      |
| → Mexico                                                            | 0.2% | 0.2%      |
| → Netherlands                                                       | 0.2% | n/a       |
| → Taiwan                                                            | 1.5% | 1.5%      |
| → Switzerland                                                       | 0.2% | 0.3%      |
| → Singapore                                                         | 0.4% | 0.4%      |
| → Canada                                                            | n/a  | 2.1%      |

NFRD 2023 methodological notes  
Note 95: Some disability data could not be collected in 2023 from countries/regions due to the lack of national legislation, right to collect this information, etc.

| DIVERSITY & SENIORITY (WORLDWIDE)                                                       |      |           |
|-----------------------------------------------------------------------------------------|------|-----------|
| % of seniors in the company by geographical area (people aged 55 or over) (as of 31/12) |      | (Note 96) |
| Worldwide                                                                               | 1.5% | 1.5%      |
| → % Europe                                                                              | 1.9% | 2.0%      |
| → % Asia                                                                                | 0.4% | 0.3%      |
| → % Africa & Middle-East                                                                | 0.7% | 0.6%      |
| → % Americas                                                                            | 0.6% | 0.8%      |
| → % Oceania                                                                             | 0.8% | 0.8%      |

NFRD 2023 methodological notes  
Note 96: i.e. 1,512 senior teammates in 2023 (1,534 in 2022): Europe (1,372), Asia (68), America (27), Africa and Middle East (43), Oceania (2).

| HEALTH AND SAFETY                                                            | 2022 | 2023      |
|------------------------------------------------------------------------------|------|-----------|
| ABSENTEEISM (22 COUNTRIES/REGIONS)                                           |      |           |
| Absenteeism rate for employees on permanent contracts (from 01/01 to 31/12): |      | (Note 97) |
| → France                                                                     | 4.4% | 3.6%      |
| → Spain                                                                      | 3.3% | 5.0%      |
| → Belgium                                                                    | n/a  | n/a       |
| → Italy                                                                      | 6.0% | 3.5%      |
| → Mainland China                                                             | 8.0% | 1.7%      |
| → Portugal                                                                   | 3.3% | 0.7%      |
| → Poland                                                                     | 8.5% | 7.0%      |
| → Russia                                                                     | 0.1% | -         |
| → Germany                                                                    | 8.0% | 9.4%      |
| → Hungary                                                                    | 5.7% | 5.2%      |
| → India                                                                      | n/a  | n/a       |
| → Brazil                                                                     | 4.8% | 4.7%      |
| → Czech Republic                                                             | 5.3% | 3.1%      |
| → Turkey                                                                     | 3.1% | 2.3%      |
| → Romania                                                                    | 1.2% | 1.0%      |
| → United Kingdom                                                             | 2.5% | 2.6%      |
| → Morocco                                                                    | 3.0% | 2.5%      |
| → Mexico                                                                     | 8.9% | 0.7%      |
| → Netherlands                                                                | 5.7% | 5.1%      |
| → Taiwan                                                                     | 0.3% | 0.2%      |
| → Switzerland                                                                | 5.9% | 4.9%      |
| → Singapore                                                                  | 2.6% | 3.1%      |
| → Canada                                                                     | 7.0% | 6.3%      |

**NFRD 2023 methodological notes**  
**Note 97:** Corresponds to the number of hours not worked due to absenteeism / number of theoretical hours worked. The reasons for absenteeism considered in the calculation of the indicator are: Ordinary illnesses, occupational illnesses resulting from work skill restrictions, accidents at work, unjustified absences.  
It should be noted that not all countries monitor the absenteeism indicator within their scopes, hence the absence of data.

| HEALTH AND SAFETY                                                                      | 2022 | 2023      |
|----------------------------------------------------------------------------------------|------|-----------|
| WORKPLACE ACCIDENTS (22 COUNTRIES/REGIONS)                                             |      |           |
| Number of workplace accidents resulting in loss of working time (from 01/01 to 31/12): |      | (Note 98) |
| → France                                                                               | 657  | 574       |
| → Spain                                                                                | 264  | 221       |
| → Belgium                                                                              | 46   | 39        |
| → Italy                                                                                | 126  | 130       |
| → Mainland China                                                                       | 28   | 18        |
| → Portugal                                                                             | 33   | 36        |
| → Poland                                                                               | 45   | 44        |
| → Russia                                                                               | 3    | -         |
| → Germany                                                                              | 71   | 87        |
| → Hungary                                                                              | 42   | 40        |
| → India                                                                                | 11   | 11        |
| → Brazil                                                                               | 13   | 34        |
| → Czech Republic                                                                       | 17   | 15        |
| → Turkey                                                                               | 77   | 52        |
| → Romania                                                                              | 6    | 8         |
| → United Kingdom                                                                       | 11   | 11        |
| → Morocco                                                                              | 27   | 6         |
| → Mexico                                                                               | 3    | 7         |
| → Netherlands                                                                          | 14   | 17        |
| → Taiwan                                                                               | 16   | 1         |
| → Switzerland                                                                          | 46   | 10        |
| → Singapore                                                                            | 2    | 1         |
| → Canada                                                                               | 8    | 11        |

**NFRD 2023 methodological notes**  
**Note 98:** The accidents counted are only accidents with work interruption. Only accidents at the workplace and accidents while travelling between two workplaces are included in the calculation of the data.  
The frequency rate is a way of measuring the degree of exposure of employees to the risk of accidents, by neutralising the effect of changes in working hours and the number of employees. This rate makes it possible to monitor the evolution of the level of risk for an activity or a sector and to compare.

| HEALTH AND SAFETY                                                                                  | 2022                                                              | 2023        |
|----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------|-------------|
| WORKPLACE ACCIDENTS (22 COUNTRIES/REGIONS)                                                         |                                                                   |             |
| Frequency rate of workplace accidents resulting in loss of working time (from 01/01 to 31/12):     | <div><div>VERIFIED INFORMATION</div><div>mazars Audit</div></div> | (Note 98)   |
| → France                                                                                           | 19                                                                | 17          |
| → Spain                                                                                            | 17                                                                | 15          |
| → Belgium                                                                                          | 14                                                                | 12          |
| → Italy                                                                                            | 12                                                                | 13          |
| → Mainland China                                                                                   | n/a                                                               | 1           |
| → Portugal                                                                                         | 12                                                                | 13          |
| → Poland                                                                                           | 8                                                                 | 8           |
| → Russia                                                                                           | 1                                                                 | -           |
| → Germany                                                                                          | 14                                                                | 16          |
| → Hungary                                                                                          | 18                                                                | 19          |
| → India                                                                                            | 1                                                                 | 1           |
| → Brazil                                                                                           | 3                                                                 | 8           |
| → Czech Republic                                                                                   | 8                                                                 | 7           |
| → Turkey                                                                                           | 22                                                                | 13          |
| → Romania                                                                                          | 2                                                                 | 3           |
| → United Kingdom                                                                                   | 4                                                                 | 4           |
| → Morocco                                                                                          | 16                                                                | 5           |
| → Mexico                                                                                           | 3                                                                 | 6           |
| → Netherlands                                                                                      | 8                                                                 | 12          |
| → Taiwan                                                                                           | 12                                                                | 1           |
| → Switzerland                                                                                      | 34                                                                | 9           |
| → Singapore                                                                                        | 1                                                                 | 1           |
| → Canada                                                                                           | 6                                                                 | 8           |
| Number of deaths resulting from workplace accidents or occupational diseases (from 01/01 to 31/12) | n/a                                                               | 0 (Note 99) |

**NFRD 2023 methodological notes**  
**Note 99:** The number of deaths resulting from workplace accidents or occupational illnesses is reported for the first time this year.  
The scope taken into account is that of employees on Decathlon contracts (permanent contracts, non-permanent contracts, student contracts, internships). This scope does not include service providers and temporary staff.

| SKILLS AND DEVELOPMENT                                                       | 2022                                                                    | 2023           |
|------------------------------------------------------------------------------|-------------------------------------------------------------------------|----------------|
| (WORLDWIDE)                                                                  |                                                                         |                |
| % of teammates who have had at least 3 hours of training in the last 2 years | <div><div>VERIFIED INFORMATION</div><div>mazars Audit</div></div> 71.1% | 73% (Note 100) |

**NFRD 2023 methodological notes**  
**Note 100:** Decathlon has embarked on a process of transforming its training strategy through the University project. One of the components of this project is the creation of a single, global platform aimed at bringing together training content. In 2024, this platform will make it possible to resolve the problem of reporting training data caused by the highly fragmented nature of the monitoring tools used in different countries, and will reflect Decathlon's real commitment to its teams.

| MEASURING VALUE - SHAREHOLDING                                                         | 2022                                                                     | 2023              |
|----------------------------------------------------------------------------------------|--------------------------------------------------------------------------|-------------------|
| REMUNERATION AND PAY TRENDS (WORLDWIDE)                                                |                                                                          |                   |
| World payroll (from 01/01 to 31/12)                                                    | €3,088,961,288                                                           | €3,102,468,818    |
| % of payroll / sales (from 01/01 to 31/12)                                             | 20.0%                                                                    | 19.9%             |
| EMPLOYEE SHAREHOLDING (WORLDWIDE)                                                      |                                                                          |                   |
| % of capital held by employee shareholders (as of 31/12)                               | 12.72%                                                                   | 12.85%            |
| % of employee shareholders (as of 31/12)                                               | <div><div>VERIFIED INFORMATION</div><div>mazars Audit</div></div> 52.34% | 55.73% (Note 101) |
| Number of employee shareholders (as of 31/12)                                          | 54,489                                                                   | 56,119 (Note 102) |
| Number of countries/regions involved in the employee shareholding scheme (as of 31/12) | 50                                                                       | 50 (Note 103)     |

**NFRD 2023 methodological notes**  
**Note 101:** The objective of this indicator is "100% of eligible teammates who so wish are co-owners of Decathlon through the employee shareholding scheme" by 2026.  
**Note 102:** The number of employee shareholders continued to rise in 2023.  
A number of countries are posting good growth figures, which can be explained by the introduction of incentive-based matching and value-sharing policies.  
**Note 103:** Two countries were added to the scheme in 2023: Luxembourg and Indonesia, and two countries left the scheme: Sweden and Russia.  
The list of countries/regions concerned by the 2023 employee shareholder scheme is now: France, Italy, India, Belgium, Mainland China, Germany, Hungary, Poland, Portugal, Spain, Australia, Brazil, Bulgaria, Cambodia, Canada, Chile, Colombia, Korea, Croatia, Egypt, Hong Kong, Ireland, Japan, Malaysia, Morocco, Mexico, the Netherlands, the Philippines, the Czech Republic, Romania, Singapore, Slovakia, Slovenia, Sri Lanka, Switzerland, Taiwan, Thailand, Turkey, the United Kingdom, Ukraine, Israel, Tunisia, Lithuania, Greece, Austria, Serbia, Latvia, Ivory Coast, Indonesia and Luxembourg.  
The French company Trainme (corporate sport and well-being partner) is not included in the scope.

| REMUNERATION BASED ON NON-FINANCIAL PERFORMANCE CRITERIA (WORLDWIDE)                                       |     |                   |
|------------------------------------------------------------------------------------------------------------|-----|-------------------|
| Number of teammates with a share of remuneration based on non-financial performance criteria (as of 31/12) | n/a | 72,447 (Note 104) |

**NFRD 2023 methodological notes**  
**Note 104:** This indicator is reported for the first time in 2023 and represents 90.1% of the workforce on permanent contracts.



# 3.2

## HUMAN RIGHTS IN PRODUCTION

PERFORMANCE INDICATORS

# HUMAN RIGHTS IN PRODUCTION

## Sharing challenging human ambitions with suppliers

In line with its values of responsibility, vitality, authenticity and generosity, Decathlon promotes sustainable development in all its activities as it carries out its purpose to “Move people through the wonders of sport”. Wherever the company is present, it commits to respecting the Universal Declaration of Human Rights, the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation (ILO), the United Nations Guiding Principles on Business and Human Rights, and the Organisation for Economic Co-operation and Development (OECD) principles of responsible business conduct and local legislation.

To ensure all of these are applied, Decathlon incorporates, shares and verifies these requirements through its Code of conduct<sup>1</sup>. To ensure all human issues are addressed in Decathlon's 45 production countries, 2,245 teammates assist the company's 1,272 supplier sites locally that are concerned by human responsibility in production (HRP) assessments. An internal and external audit system also checks that suppliers properly apply the twelve chapters of fundamental human rights for workers developed in the Code of conduct, as well as health and safety conditions.



### 2023 HIGHLIGHTS

**Human performance in production remains aligned with the Transition Plan trajectory:** At the end of 2023, 89% of concerned sites for Rank 1 suppliers were rated A, B or C, up 2.3% from 2022.

Decathlon launched a project aimed at **improving the development of responsible wage practices among its industrial partners**.

KEY FIGURES as of 31/12/2023

**1,272**  
concerned production sites  
for Rank 1 (1,009) and  
Rank 2 (263) suppliers  
underwent HRP audits  
1,263 in 2022

**2,245**  
production teammates  
support suppliers on  
a daily basis  
2,429 in 2022

**16**  
partner sites were  
certified as autonomous  
for human responsibility  
in production (HRP)  
11 in 2022

## Human audits in production

### THE CODE OF CONDUCT AND THE HRP AUDIT GRID

The company's Code of conduct responds to the social issues highlighted by international organisations (ILO, OECD, etc.) and in particular: human rights, health and safety, management of chemical substances, corruption, management and communication with employees. **This document has been signed by all our Rank 1 component and product manufacturers<sup>2</sup>.**

The application of this Code of conduct is verified by means of an **internal and external audit system based on a regularly-updated audit grid based on a logic of continuous improvement**, as well as through the regular presence on site of Decathlon's local production teams. The strategy for making the process more reliable and implementing long-term corrective measures is being improved year on year.

➔ **More information on the purchasing strategy, audit system, compliance framework and production skills on p.206.**

Using its audit grid, the company is currently focusing on verifying twelve main topics:

1. Child labour
2. Forced labour
3. Freedom of association
4. Legal authorisations and periodical checks (health and safety)
5. Risk and safety management (health and safety)
6. Chemicals management (health and safety)
7. Fire safety and evacuation (health and safety)
8. Living environment
9. Working hours
10. Compensation
11. Human resources management
12. Management of social accountability

These themes are evaluated in audits to reflect a situation at a given time, which makes it possible to identify short, medium and long-term improvements at the production site. **Decathlon requires its suppliers to obtain a minimum score of C (advanced level on a scale from A to E<sup>3</sup>).** If they are assigned a D, the supplier has six months to take corrective action and make improvements. If a supplier earns a score of E due to the presence of a risk of death or non-respect of fundamental human rights, then production and shipments of orders are suspended until the problem has been resolved.

### ➔ SUPPLIER PANEL PERFORMANCE IN 2023

**In 2023, 89% of concerned production sites for Rank 1 suppliers were rated of A, B or C** on Decathlon's audit grid (86.7% in 2022) with the goal of reaching 90% by 2026. This result exceeds this year's internal target of 87% by two points.

This performance can be explained by:

- **Production teammates' efforts in conducting audits and establishing corrective action plans whenever a need is identified:** of the 851 HRP audits in 2023 (1,067 in 2022), 75.3% were conducted by Decathlon (58% in 2022)
- **Transitioning to a new supplier database<sup>4</sup>** offering improved connectivity of all systems and better supplier panel traceability
- **Sending monthly alerts** to producer countries and to industrial processes not meeting the annual target

According to the rule introduced in 2021 after the pandemic and in a concern for transparency, all sites whose audit was more than one year overdue were removed from the number of suppliers rated A, B or C. Decathlon's priority is to conduct new audits as quickly as possible within the 45 Rank 1 sites affected by this delay in 2023.

KEY FIGURE as of 31/12/2023

**89%**  
of concerned sites  
for Rank 1 suppliers  
were rated A, B or C  
for human responsibility  
in production (HRP)  
86.7% in 2022

2. The requirements of the HRP audit grid demand that Rank 1 suppliers manage their own suppliers regarding the subjects evoked in Decathlon's Code of conduct.  
3. For more information on the audit system, see p.83.  
4. More information on the transition to this new supplier database on p.209.

1. Decathlon's Code of conduct is available at: <https://sustainability.decathlon.com/legal-documents>.

Helping partners work  
towards HRP autonomy

THE PROGRAMME

The HRP autonomy programme created in 2019 aims to:

- **help suppliers sustainably and constantly improve human performance** using self-assessment tools
- **encourage partner agility and efficiency** through autonomous decision-making at the local level

Decathlon now aims to ensure that **90% of its partner suppliers have at least one certified site by 2026<sup>5</sup>**.

The programme was followed by 41 partner sites in 2023 (45 in 2022).

To earn their autonomy certificate, **partners are required to meet a number of criteria demonstrating that they are indeed managing human risks autonomously** through reliable systems and transparent sharing of information.

These criteria are:

- At least a B rating on Decathlon's HRP assessment scale
- Demonstrate high and constantly improving performance on human indicators
- Be assisted by an internal auditor whose training has been validated by Decathlon
- Perform at least one self-assessment per year using Decathlon's audit grid and share the results
- Conduct an Engagement and Wellbeing survey every year to assess employee well-being while guaranteeing confidentiality

**This year, five new partner sites in Mainland China were certified as autonomous, bringing the total number of certifications to 16 since 2022.** After certification, local Decathlon production teams conduct an annual review to monitor the criteria are being applied. This review is mandatory and re-examines the results of the partner's self-assessment and of the Engagement and Wellbeing survey. It also provides an opportunity to discuss the supplier's needs and any problems it has encountered. In this way, Decathlon remains committed to its autonomous partners in order to provide them with support and assistance when necessary. Note that the certificate of autonomy can be suspended if a non-compliance<sup>6</sup> is identified.

MEASURING WORKER  
SATISFACTION

From 2021, Decathlon has rolled out a survey tool that **measures worker satisfaction and well-being**, based on the Engagement and Wellbeing survey that was originally developed by Nike<sup>7</sup> and is used especially by several companies in the textile sector. The survey guarantees confidentiality and simplified digital access for respondents, and is conducted by external providers, primarily Labor Solutions<sup>8</sup>, KNO<sup>9</sup>, Diginex<sup>10</sup>, SGS<sup>11</sup> and Ulula<sup>12</sup>.

In addition to HRP audits, the survey addresses six themes to provide a second perspective and a 360° view of human issues at production sites: communication, wages, work-related stress, labour relations, skills building and health and safety. The 20 questions asked of factory workers (including one on sexual harassment) enable each site to identify areas for improvement for a better working environment. The results can be analysed by demographic group, such as gender, tenure or job role, to establish measures adapted to each individual.

**In 2023, 68 sites<sup>13</sup> from 11 countries<sup>14</sup> conducted an Engagement and Wellbeing Survey** (40 sites in 9 countries in 2022). Some 62,000 employees responded this year (38,000 in 2022) for an average response rate of 73% across all concerned sites (66.4% in 2022).

→ 2023 RESULTS BY THEME

- **Highest scores:** "Employees have friends at work", "Supervisors discuss safety daily", "Target setting is understood"
- **Lowest scores:** "Supervisors help with challenges at work", "Health is not affected by the workplace", "employees are able to meet their family financial needs"

Production sites are expected to devise an action plan for each of the three questions having the lowest scores.

Since its establishment, the EWB has improved the measurement of, and fight against, sexual harassment at several production sites through the creation of action plans and partnerships with external bodies. In 2023, two sites in Bangladesh received support from GIZ<sup>15</sup> and the Fair Wear Foundation<sup>16</sup> to offer their employees a safer and more respectful working environment.

Encouraging responsible  
wage practices

Decathlon believes that a "living wage" is a fundamental right and wants to ensure both its teammates<sup>17</sup> and its strategic partners' employees are paid well enough to meet their and their families' basic daily needs. The Group believes that a decent standard of living includes food, water, housing, education, health care, transportation, clothing and other basic needs, including the ability to handle unexpected events.

Given the results of the Engagement and Wellbeing Survey, which revealed that the issue of wages regularly receives the lowest scores at the production sites surveyed, **Decathlon launched work in 2023 to promote the development of responsible wage practices among its industrial partners.** Beyond merely complying with local standards and regulations, the Group aspires to become a virtuous player in society.

Several actions were conducted this year:

- **In-house implementation of a first training programme devoted to the fundamentals of a living wage** for the concerned buyers<sup>18</sup> and Decathlon Referents who support supplier production sites in six countries (7 out of 7 people trained)
- **A training programme on wage management systems taught by Impactt Limited<sup>19</sup>** for Referents and the central team in charge of the responsible wage project (7 out of 7 people trained)
- **The rollout of production wage data collection and analysis** for 18 strategic partners in six countries
- **The launch of pilot projects dedicated to wage management system remediation in Vietnam, India and Bangladesh** (5 sites concerned) with support from Impactt Limited

Fighting forced labour

The economic and social impacts of the COVID-19 pandemic have made the populations most at risk of forced labour even more vulnerable. According to the latest report<sup>20</sup> by the International Labour Organisation (ILO), 27.6 million people worldwide were suffering under forced labour in 2021.

Despite there being an auditing process applied throughout Decathlon's value chain (for Rank 1 suppliers and some Rank 2 suppliers), each country has its own regulatory constraints which do not necessarily cover all of the company's requirements in terms of human rights.

Driven in particular by the 2015 Modern Slavery Act<sup>21</sup>, and then by the 2017 Duty of Vigilance, **Decathlon continues to strengthen its commitment to vigilance in three areas related to modern slavery:**

- **Forced labour:** Suppliers' employees offer their work or services of their own free will and without the threat of any form of penalty
- **Responsible recruitment by its suppliers:** The recruitment, transport, transfer, accommodation and reception of a migrant worker for the purpose of paid employment must take place without threat, without the use of force and without constraint
- **Debt bondage:** A person shall not work or provide a service in order to cancel a debt

These principles were restated in Decathlon's latest Modern Slavery Statement<sup>22</sup>.

The company's requirements related to human rights and the fight against forced labour are specified in the Code of conduct as well as in the HRP audit grid. Since 2021, both of these also integrate **dormitory and ethical recruitment guidelines**. These guides are shared with all countries considered at the greatest risk<sup>23</sup> according to Decathlon's mapping.

In 2023, Decathlon made further advances in its fight against forced labour:

- **Using the DiginexAPPRISE<sup>24</sup> app to better evaluate risks, interpret alerts and build remediation plans:** 100 production sites used this tool in 2023<sup>25</sup> (100 in 2022). This year, Decathlon's priority was to work more closely with the tool's provider in order to enable quicker assessment and verification of alerts for the benefit of its internal assessors. The other priority in 2023 was to address alerts received in 2022 (three specific audits were led in India and Taiwan)
- **Improving teammate and supplier skills:** Decathlon updated its e-learning programme to include a focus on legislation to combat forced labour, migrant labour recruitment and transparency in supply chains. Moreover, 60 suppliers were trained on ILO forced labour indicators in 2023 and a capacity-building week led by the NGO Verité<sup>26</sup> was organised in Taiwan for Referents, with topics such as detecting and addressing alerts relating to forced labour as well as verifying results from the DiginexAPPRISE app
- **Piloting a dedicated dormitory assessment grid** to evaluate living conditions and support the existing HRP process continued in 25 dormitory audits across India, Taiwan, Pakistan and Vietnam. In 2024, the evaluation of dormitories will be seamlessly incorporated into Decathlon's HRP audit grid.

→ **The Code of conduct, Modern Slavery Statement, Vigilance Plan, guidelines for dormitories and ethical recruitment guidelines for suppliers and partners are available at:**  
[sustainability.decathlon.com/legal-documents](https://sustainability.decathlon.com/legal-documents)

5. This target now replaces the previous goal of 90% of eligible partner sites being autonomous in risk management and in their human audits by 2025.

6. Non-compliance: failure to comply with one of the autonomy criteria, unresolved risks identified in annual reviews, external alerts, etc.

7. For more information: <https://www.laborsolutions.tech/post/nike-s-engagement-and-wellbeing-survey-now-available-to-anyone>.

8. For more information on Labor Solutions: <https://www.laborsolutions.tech/>.

9. For more information on KNO: <https://www.knoglobal.com/>.

10. For more information on Diginex: <https://www.diginex.com/>.

11. For more information on SGS: <https://www.sgs.com/en>.

12. For more information on Ulula: <https://ulula.com/>.

13. Deployed initially at partner production sites, the survey is also being carried out by some strategic suppliers on a voluntary basis.

14. Bangladesh, India, Indonesia, Italy, Mainland China, Pakistan, Romania, Sri Lanka, Tunisia, Turkey and Vietnam.

15. For more information on GIZ: <https://www.giz.de/en/html/index.html>.

16. For more information on the Fair Wear Foundation: <https://www.fairwear.org/programmes/countries/bangladesh/>.

17. More information on internal actions on the living wage on p.154.

18. Leader buyers concerned in the project's deployment.

19. For more information on Impactt Limited: <https://impacttlimited.com/>.

20. ILO, IOM, Walk Free Foundation, <https://www.ilo.org/publications/major-publications/global-estimates-modern-slavery-forced-labour-and-forced-marriage>, Geneva, September 2022.

21. Global Slavery Index: <https://www.legislation.gov.uk/>.

22. Decathlon's Modern Slavery Statement is available at <https://sustainability.decathlon.com/decathlon-annual-sustainable-development-reports>.

23. The risk mapping is available in Decathlon's 2021 Modern Slavery Statement: <https://sustainability.decathlon.com/decathlon-annual-sustainable-development-reports>.

24. For more information about DiginexAPPRISE: <https://www.diginex.com/apprise>.

25. The tool was not deployed in any new country in 2023.

26. For more information about Verité: <https://verite.org/>.

# PERFORMANCE INDICATORS

| HUMAN RIGHTS                                              | 2022 | 2023             |
|-----------------------------------------------------------|------|------------------|
| TRAINING   HUMAN RIGHTS                                   |      |                  |
| Number of teammates trained on human rights (as of 31/12) | 245  | 6,335 (Note 105) |

## NFRD 2023 methodological notes

**Note 105:** In 2023, the number of teammates trained represented 6.29% of the total workforce.

The target of 30% of teammates trained in human rights around the world was not met by the end of 2023, mainly due to:

- the difficulty of making the e-learning module a compulsory part of a training programme for all teammates (including new arrivals)
- the lack of visibility of the e-learning module on the Decathlon Academy training platform. In addition, the reporting function on the platform has been unavailable since the second quarter of 2023, making it difficult to retrieve information
- the lack of resources available to local teams to deal with compliance and human rights issues. In fact, the "compliance officer" job description, which was supposed to accompany the roll-out of this training in the various countries, has not yet been finalised.

As of 31/12/2024, the teams' objective will be to reach 30% of teammates trained in human rights worldwide, the same target as the previous year.

| HUMAN RIGHTS<br>IN THE VALUE CHAIN                                                              | 2022  | 2023             |
|-------------------------------------------------------------------------------------------------|-------|------------------|
| SCOPE & NUMBER OF ASSESSMENTS   HUMAN RIGHTS                                                    |       |                  |
| Number of production sites concerned by Responsibility in Production assessments (as of 31/12): | 1,263 | 1,272            |
| → Number of Rank 1 production sites concerned                                                   | 928   | 1,009 (Note 106) |
| → Number of Rank 2 production sites concerned                                                   | 335   | 263              |
| Number of HRP assessments conducted (from 01/01 to 31/12)                                       | 1,067 | 851              |
| % of HRP assessments conducted internally (from 01/01 to 31/12)                                 | 58%   | 74% (Note 107)   |

## NFRD 2023 methodological notes

**Note 106:** Thanks to close collaboration between the production department and the industrial purchasing department, the supplier database has been cleaned up so that only active suppliers on our panel can be controlled using GEX, our new supplier management tool.

Decathlon owned 1,009 open and active Rank 1 production sites concerned by HRP audits in 2023. The number has increased since 2022. We have 263 open and active Rank 2 production sites.

Due to the different tools used to perform the extractions and the fact that the data was reported at different dates, the number of production sites reported for the HRP section differs from that reported for the Industrial Purchasing section. The latest analysis reveals a differential of 9.5%, a smaller gap than in previous years.

Gap analysis and alignment work is underway to address this issue.

**Note 107:** 579 assessments were carried out internally, representing an internalisation rate of 74%, up from 2022.

| HUMAN RIGHTS<br>IN THE VALUE CHAIN                                            |                                                                                     | 2022                             | 2023                                                    |
|-------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|----------------------------------|---------------------------------------------------------|
| FOCUS ON HRP RESULTS   HUMAN RIGHTS                                           |                                                                                     |                                  |                                                         |
| % of production sites rated A, B or C<br>in HRP assessments (as of 31/12):    |                                                                                     |                                  |                                                         |
| → % of Rank 1 production sites rated A, B or C                                |  | 86.7%                            | 89.0% (Note 108)                                        |
| → % of Rank 2 production sites rated A, B or C                                |                                                                                     | 61.8%                            | 63.5% (Note 108)                                        |
| Results of HRP assessments of partners<br>and company-owned production sites: |                                                                                     |                                  |                                                         |
| → % of company-owned production sites rated A, B or C                         |                                                                                     | 67%                              | 100% (Note 109)                                         |
| → % of partner supplier production sites rated A, B or C                      |                                                                                     | 93%<br>A: 1%<br>B: 42%<br>C: 50% | 98%<br>-<br>A: 0%<br>B: 57.8%<br>C: 40.2%<br>(Note 110) |
| → Number of partner supplier production sites rated A, B or C                 |                                                                                     | 118                              | 102 (Note 110)                                          |

## NFRD 2023 methodological notes

**Note 108:** Decathlon has 1,009 active Rank 1 production sites and 898 production sites are in the ABC ranking for HRP audits, which represents a rate of 89.0% of sites ranked ABC. It should be noted that 45 sites are more than a year overdue for assessment according to the frequency level determined for the country (so-called "critical" sites). The positive impact of these late-assessment sites has therefore been removed from the calculation of the HRP assessment. In 2024, it is planned to significantly improve data quality by working with the production offices and the purchasing department, as well as by closing the inactive sites on the panel. The teams are pleased to note that the significant efforts made both by the teams of internal HRP assessors and by Decathlon's production network have led to good results in terms of HRP performance. Decathlon is 1.2 points above the 2023 trajectory (the target was set at 87% at the start of 2023).

These results have been achieved in particular through the introduction of a monthly HRP alert email designed to alert all countries and process managers when they are not meeting the common objective. In addition, the close involvement of Decathlon's HRP assessors and the OPMSD (Operational Process Manager for Sustainable Development) enabled comprehensive HRP assessments to be carried out, with a corrective action plan where necessary.

In view of the performance achieved in 2023, Decathlon has revised its target for 2024 to reach 89% of the sites concerned by Rank 1 suppliers rated A, B or C according to its HRP audit grid (target set at 90% in 2026).

Of the 263 Rank 2 production sites, 167 are in the ABC ranking, i.e. a rate of 63.5%. It should be noted that 79 Rank 2 production sites with an ABC assessment have not been assessed for more than a year at the frequency level determined for the country. Given the late assessment of these sites, their positive impact has been removed from the HRP calculation and analysis. In 2024, a major effort will be made to manage the assessments of the Rank 1 sites within the deadlines set.

**Note 109:** In 2023, Decathlon owned 9 factories worldwide, 100% of which are rated A, B or C for HRP. This is a significant improvement on the results achieved in 2022, thanks to the alert system put in place and the commitment of our teams. In 2023, 2 Decathlon factories located in Mainland China were certified by the HRP Autonomy programme.

**Note 110:** Decathlon has 102 partner production sites for a total of 53 different partners and 100 sites are rated A, B or C for HRP. None of them are at level A and 59 are at level B according to the results of the HRP audits carried out, i.e. a rate of 57.8%. This rate has been rising since 2022 and reflects the hard work of our teams to improve the level of Decathlon's partner sites in order to achieve the desired target of A or B ranked sites. 41 partner sites are classified at level C following the HRP assessments carried out, which represents a rate of 40.2%.



# 3.3

## CUSTOMER SAFETY AND SATISFACTION

PERFORMANCE INDICATORS

# CUSTOMER SAFETY AND SATISFACTION

## Guaranteeing the quality of products offered for sale



Decathlon designs, manufactures and orders the manufacture of its own products. The requirements regarding customer safety and satisfaction are at the heart of the Quality teams' concerns, throughout the value chain: from the design phase, during manufacture and up to the point of sale, being used by sports people and returned to stores for a second life, repair or rental. The team's mission is to highlight the risks of non-quality and plan remediation options so that the right solutions can be found quickly for local teams and sports users.

This management system is based on an integrated network of teammates led by quality Referents who are located all around the world. This network oversees the application of the procedures and the maintenance of related skills.

The quality of the products continues to be monitored during their sale: Decathlon answers all sports users' questions regarding quality, safety and the lack of danger. The company's design and quality teams also read online customer reviews to continuously correct and improve product quality.

### 2023 HIGHLIGHTS

Decathlon is innovating by using Radio Frequency Identification (RFID) technology to **optimise the recall process of products** having a quality defect.

The company launched a new quality project and now aims to achieve an average customer review score of 4.7/5.

The quality teams published several internal benchmarks that serve as a database to respond to all requests from external stakeholders on chemical substances.

### Organising the network

The Quality department is composed of a support team and a network integrated within the various Decathlon design, manufacturing and sales teams around the world. Each country appoints a Quality Referent to take full responsibility locally and make decisions as quickly and efficiently as possible.

The Quality network is made up of over 1,000 active players around the world. The Referents provide the necessary processes, tools and skills to ensure that the Quality system is upheld. The entire Quality network is responsible for:

- **Performance management:** ensuring consistency of quality and continuous improvement
- **Skills management:** ensuring that each teammate is able to act and react according to their level of responsibility
- **Quality risk management:** precisely determining the elements of vigilance in each area
- **Technical approval:** ensuring that user needs are met in line with safety and regulatory obligations, translated into technical design requirements, validated and controlled at each stage
- **Supplier management:** checking the correct transmission of key points of completion in the industrialisation and production chain, and ensuring that the supplier quality system is at the expected level to guarantee product quality
- **Management of non-conformity:** detecting deviations as early as possible, blocking and isolating non-conforming products and being able to resolve situations quickly to ensure user safety

In order to maintain the level of quality, the production teams in particular, have a role in training suppliers so they become increasingly autonomous in this area. This support helps them to:

- **Know how to detect non-conformity** in order to remove products that do not meet the requirements as early as possible from the production line, and be able to provide the appropriate solution thanks to the correct use of tools and settings
- **Work together to be able to control** the critical points regarding products

### Supporting suppliers for constant risk management and consistent quality

#### QUALITY AUDITS IN PRODUCTION

Audits are performed every two years to assess the maturity of Decathlon suppliers' quality management systems, identify production risks and deploy corrective action plans. **Decathlon requires its suppliers to obtain a minimum score of C (on a scale from A to E).** If they are assigned a D, the supplier has a period of six months to a year to take corrective action and make improvements. If a supplier earns an E score for safety products, then the production and shipments of orders are suspended until the problem has been resolved. For non-safety products, the supplier is required to set up a specific procedure and has three months to implement corrective actions and make improvements.

#### → SUPPLIER PANEL PERFORMANCE IN 2023

**In 2023, 78.6% of concerned sites for Rank 1 and Rank 2 suppliers<sup>2</sup> were rated A, B or C for their Quality management** based on Decathlon's audit grid (63.9% in 2022<sup>3</sup>).

Following a rebound in performance in 2022, Decathlon is now back in line with its commitment in 2023 to ensure that 90% of concerned Rank 1 supplier sites earn a score of A, B or C by 2026. These good results can be explained by:

- **More internal auditors** (120 vs 113 in 2022) and more teammates trained in auditor validation, resulting in greater autonomy (25 Referents compared with 23 in 2022)
- **Production teammates' motivation** to maintain ties with suppliers and make up the significant number of late audits
- **Support from two external auditors** providing additional resources to conduct more audits

KEY FIGURES as of 31/12/2023

**78.6%**  
of concerned sites for Rank 1 and Rank 2 suppliers were rated A, B or C for quality management  
63.9% in 2022<sup>1</sup>

**1,127**  
products were returned, per million products, due to failure  
1,059 in 2022

#### Using RFID technology to optimise product recalls

Decathlon is innovating product traceability to improve efficiency when products have to be withdrawn from the sales channel. Using RFID technology, the company now tracks 99% of products sold using a tag that automatically creates an event in a database with the date and location for each reading. Decathlon used this technology widely in 2023, with 30 billion events recorded in the traceability database.

This allows teams to **identify and accurately locate defective products in the value chain, optimising recalls and limiting risks for customers.**

1. The 2022 figure was reprocessed following changes to the calculation methodology.

2. More information on Rank 1 and Rank 2 supplier categorisation on p. 208.  
3. The 2022 figure was reprocessed following changes to the calculation methodology.

## A strategy based on customer reviews and product excellence

Decathlon continued working on products having a rating below 4.2/5 to ensure the products it sells meet customer demands. The design teams have been working since 2021 to **propose an action plan for all products concerned**<sup>4</sup>. Any product receiving a rating below this cut-off point must be analysed and a clear decision must be taken on whether to discontinue the product, redesign it or establish concrete action plans.

On Decathlon's Marketplace, any product receiving a customer review rating of less than 3.5 is removed from sale (5.7% of OIB products in 2023). Corrective action must be taken if the rating is between 3.5 and 4 out of 5.

In order to meet the challenges of the 2023-2026 business plan, the benchmark performance indicator has been changed for all teammates in the Quality network<sup>5</sup>. **The company now aims to achieve an average rating of 4.7/5 for both Decathlon products and other international brand products by 2026.** To achieve this, the Sports & Processes leaders are monitoring this indicator monthly.

**In 2023, the average rating for Decathlon and other international brand products rose to 4.61/5 (4.54/5 in 2022).**

KEY FIGURES as of 31/12/2023

Over **2 million** customer reviews collected  
> 1,5 million in 2022

Average product rating for Decathlon and OIB products:  
**4.61/5**  
4.54/5 in 2022

## Ensuring qualitative customer relations

KEY FIGURE as of 31/12/2023

**1.7 days** to initiate action, and a response sent in 47.2 days in the event of an allergic reaction reported by a customer for chemicals  
2 and 41.8 days in 2022<sup>6</sup>

Decathlon teams also protect the quality of the relationship with customers on product safety issues and ensure that any questions are answered as quickly as possible.

In 2023, the number of tickets opened fell 4% compared with 2022. **In 2023, the average time to initiate action was 1.7 days (2 days in 2022), with a response sent within 47.2 days (41.8 days in 2022).** The longer response time can be explained primarily by the inclusion of tickets that remained open throughout the year due to the need for outside action to be taken. In 2024, the goal will be to reduce this period to less than 40 days by increasing team vigilance during the summer period, which corresponds to peak activity.

## Replacing priority hazardous substances

Decathlon's product design teams are heavily involved in research with other industrial players to **replace existing chemicals with alternatives that have less of an impact on people and the environment**. The teams continued the work already begun on chemicals in order to gradually replace:

- **Perfluorocarbons (PFCs)**, found primarily in water repellent materials
- **Bisphenol S**, identified as an endocrine disruptor and commonly used to dye polyamide
- **Dimethylformamide**, a solvent sometimes used in polyurethane coating and which requires many protective measures in the factory. This solvent is being gradually removed from the value chain, while the company continues to guarantee products with the same quality and durability

In 2023, the Quality teams published several internal benchmarks to define chemicals and their associated requirements (regulatory or non-regulatory). In accordance with the requirements of the French AGECE law (Anti-waste law for a circular economy)<sup>7</sup>, these benchmarks centralise information on chemicals that may be present in components or finished products, and help improve their management by the company. They are now used to answer all queries from external stakeholders (customers, authorities, non-governmental organisations, etc.) on the subject.



4. Products having at least 18 reviews (worldwide), products of other international brands included.  
5. Previously tracked indicator: percentage of users delighted by Decathlon products.  
6. Following a methodological change, 2022 data were reassessed to allow comparison with 2023 data. For more information, see the methodological note on p. 90.

7. Article 13 of the AGECE law no. 2020-105 of 10 February 2020 aims to empower consumers by informing them of the presence of "dangerous substances" and endocrine disruptors in the composition of chemical products.

# PERFORMANCE INDICATORS

| CUSTOMER SAFETY AND SATISFACTION                                                                                                                        | 2022                                                                              | 2023                                             |
|---------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------|--------------------------------------------------|
| CUSTOMER & USER SATISFACTION                                                                                                                            |                                                                                   |                                                  |
| Average scores given by customers on Decathlon products and other international brands (from 01/01 to 31/12)                                            | <div><div><div>VERIFIED INFORMATION</div><div>mazars Audit</div></div>4.54</div>  | 4.61 (Note 111)                                  |
| Coefficient of influence on the quality of recommendations of Decathlon products by Decathlon employees (from 01/01 to 31/12)                           | 3.9                                                                               | 3.9 (Note 112)                                   |
| "Decathlon Products Barometer" score on the quality of recommendations of Decathlon products by Decathlon employees (from 01/01 to 31/12)               | 40<br>(scope 35 countries/regions)                                                | 41<br>(scope 41 countries/regions)<br>(Note 112) |
| PRODUCT QUALITY                                                                                                                                         |                                                                                   |                                                  |
| Number of returns for quality issues per million Decathlon products sold (from 01/01 to 31/12)                                                          | <div><div><div>VERIFIED INFORMATION</div><div>mazars Audit</div></div>1,059</div> | 1,127 (Note 113)                                 |
| Number of cases for which there were Quality Corrective Actions (QCA) for Decathlon products and other international brands (OIB) (from 01/01 to 31/12) | 243                                                                               | 284                                              |
| Number of Decathlon and OIB products concerned by these QCA (from 01/01 to 31/12)                                                                       | 1.06 million                                                                      | 1.17 million<br>(Note 114)                       |

**NFRD 2023 methodological notes**

**Note 111:** This year, it was decided to no longer audit the KPI concerning the delight of sports users, but rather the average of the ratings given to Decathlon and OIB products. This change has been made with a view to ensuring consistency and efficiency in the promotion of Decathlon's customer and user satisfaction. In 2023, the company showed a slight improvement, achieving a score of 4.61/5 compared with 4.54/5 in 2022. Decathlon aims to achieve a score of 4.64/5 in 2024, moving towards its ambition of 4.7/5 by 2026.

**Note 112:** This indicator was integrated into the NFRD as of the 2018 financial year and then only concerned the France scope (10,427 Decathlon teammates responded). It has been extended every year until 2023, involving the participation of 41 countries/regions (Algeria, Australia, Belgium, Brazil, Bulgaria, Canada, Chile, Mainland China, Colombia, Croatia, the Czech Republic, Egypt, France, Germany, Hong Kong, Hungary, India, Ireland, Italy, Israel, Japan, Mexico, Morocco, the Netherlands, Poland, Portugal, Romania, Senegal, Serbia, Singapore, Slovenia, South Korea, Spain, Sweden, Switzerland, Taiwan, Thailand, Tunisia, Turkey, Vietnam) with 61,000 responses.

The Decathlon Products Barometer is based on a simple methodology, called Net Promoter Score (NPS), adapted to facilitate recommendations by teammates. It is important that they know and convey the image and quality of Decathlon products.

Employees are invited to share their opinions on all the sports they play, as well as on the sports of any children in their circle of family and friends.

The "Decathlon Products Barometer" measures the level of recommendation of own-brand products by the company's teammates (all professions combined).

The 2023 result was 41 (55% promoters - 14% detractors).

The "Decathlon Products Barometer" score alone is not enough; a 2<sup>nd</sup> indicator of importance has been added: the influence coefficient (calculated by the rate of promoters divided by the rate of detractors). Considering that a promoter influences 3 people and a detractor influences 10, we measure the power of influence of teammates in their circle of family and friends. With 4 times as many promoters as detractors, there are more positively influenced people than negatively influenced people from the very start.

The ambitions, in 5 years, are to reach a score of 50 on the "Decathlon Products Barometer" indicator, and 6 on the influence coefficient (6 times more promoters than detractors).

**Note 113:** In 2023, there was an increase in the number of defective products returned, despite a fall in sales volumes. The indicator for the number of returns per million (RPM) is therefore down. When Decathlon sells 1 million products, 1,127 of them are returned by users (compared with 1,032 in 2022). Full analyses have been carried out to define the level of performance of the various Sports and Processes. In this context, it was noted that some areas of activity performed better than others: cycling sports (+26%), fitness (-11%). This indicator will therefore be monitored with particular attention in 2024 and remains very complementary to the indicators related to customer satisfaction. The objective for 2024 will be to begin to reduce the number of products returned and thus achieve a result of 1,024.

**Note 114:** In 2023, 1,170,002 items were affected by corrective action, compared with 1,055,511 items in 2022. This slight increase can be correlated with an increase in the number of quality cases (243 in 2022 compared with 284 in 2023). Of these 1,170,002 products, 346,119 are OIB products and 823,883 are Decathlon products. For the following indicators and data, only Decathlon products are taken into account, as it is not possible for the quality department teams to submit products for donation or recycling if they belong to another brand.

| CUSTOMER SAFETY AND SATISFACTION                                                                | 2022       | 2023             |
|-------------------------------------------------------------------------------------------------|------------|------------------|
| PRODUCT QUALITY                                                                                 |            |                  |
| % of Decathlon & OIB products repaired, donated and recycled as a result of QCA (as of 31/12):  |            |                  |
| → % recycled                                                                                    | 5.4%       | 8.1% (Note 115)  |
| → % donated                                                                                     | 12.1%      | 9.7% (Note 116)  |
| → % repaired                                                                                    | 65.0%      | 53.1% (Note 117) |
| → % supplier returns                                                                            | 3.8%       | 0.0% (Note 118)  |
| → % placed in second choice                                                                     | n/a        | 11.7% (Note 119) |
| → % destroyed                                                                                   | 13.6%      | 17.4% (Note 120) |
| Weight of products having undergone a QCA saved from destruction (from 01/01 to 31/12)          | 625 tonnes | 833 tonnes       |
| Number of production sites concerned by quality assessments                                     | n/a        | 1,138 (Note 121) |
| Number of Rank 1 production sites concerned                                                     | n/a        | 960 (Note 121)   |
| Number of Rank 2 production sites concerned                                                     | n/a        | 175 (Note 121)   |
| % of concerned sites of our Rank 1 and 2 suppliers rated A, B or C for their quality management | 63.9%      | 78.6%            |

**NFRD 2023 methodological notes**

**Note 115:** Recycling products is not an easy task, particularly as the vast majority of them are made up of several materials that are difficult to separate. However, to recycle efficiently, the components need to be isolated. In 2023, the recycling of non-compliant products increased significantly (66,331 quantities recycled in 2023 vs. 44,554 quantities recycled in 2022) thanks to partnerships signed with new service providers to develop specific recycling channels.

**Note 116:** Products can be donated when the following two factors are met:

- agreement signed by the leader of the Decathlon (sport) brand concerned to donate the products affected by the quality problem
- contract signed between Decathlon and the association to which the products are donated. A CERFA (in France) is provided by the association as proof that the donation has been made

The quantities donated in 2023 fell by 20% compared with last year, for two main reasons. On the one hand, 2022 was an exceptional year, with 10 times more products donated than the previous year. In addition, a second-choice sale method was introduced, which is preferred to donation.

**Note 117:** If a nonconformity is detected on a product and a Quality file is opened, repair is the priority. Three possibilities are offered for repairing the products:

- either in stores or warehouses, where repairs are easy to carry out
- or by a service provider when the work is complex or involves large quantities
- or the products are sent to the supplier for repair

The percentage of non-conforming products repaired has decreased compared to 2022, although the same means were used to repair them. This can be explained by the fact that more products could not be repaired this year.

**Note 118:** This part only includes non-conforming products that have been returned to the supplier with no knowledge of their fate. It should be noted that a return to the supplier, other than to repair a product, is still very rare. The quality team is therefore working hard to identify what happens to products when they arrive at the supplier's, in order to improve the integration of data regarding productions that are recycled, placed in second choice, repaired or donated as a result of corrective quality actions. This is why the percentage of supplier returns indicator will no longer be monitored by the quality teams next year, in order to clearly identify the fate of products originating from a Quality file.

**Note 119:** The percentage of products placed in second choice is reported for the first time this year, hence the absence of data in 2022. A second-choice product is one with a cosmetic defect that does not prevent it from being used. The defect is indicated on the product so that consumers know why it has been placed in second choice. A case involving 92,000 pairs of Solognac trousers led to a significant increase in this indicator in 2023. Although this process was put in place this year, the aim for the coming years is to democratise this practice in order to give a chance to items that cannot be sold at new prices and thus avoid their destruction.

**Note 120:** This year, it was not possible to repair, reuse, donate or recycle 17.4% of the products concerned by a quality corrective action. They were therefore destroyed. This can happen with products which, for example, present a significant toxicological risk. In this case, they are incinerated. Also, for products with a complex composition that cannot be used, recycling is difficult to implement. In 2023, more than 60% of the products destroyed were nutrition products (human food, animal feed and drinks). A mission has been launched for 2024 to find better solutions for these products, with the aim of achieving 85% of products saved.

**Note 121:** These three indicators led by the Quality teams are reported for the first time this year, hence the absence of data for 2022.



# 3.4

## SOCIETAL COMMITMENT

TERRITORIAL DYNAMICS  
THE DECATHLON FOUNDATION  
PERFORMANCE INDICATORS



# TERRITORIAL DYNAMICS

## Supporting local stakeholders



Decathlon is attentive to its external ecosystem and wants to use its activities and social actions to be a positive force for change across different communities.

Decathlon's teams locally assist their stakeholders (local communities, authorities, associations, schools, etc.) by offering services that make it easier for people to play sports, supporting the initiatives of teammates who want to get involved and identifying ways to have greater social impacts.

### 2023 HIGHLIGHTS

Decathlon launched a new **international strategy to strengthen its social impact** with its internal and external stakeholders.

The company developed a **service offering to make it even easier to practise a sport**.

Decathlon promoted the practice of sport for all through the organisation of local actions and its partnership with the Paris 2024 Olympic Games.

The company assisted people in emergency situations in Ukraine, Turkey and Morocco.

## Engaging with local stakeholders to create a positive social impact

In 2023, Decathlon **launched a new social responsibility strategy internationally to strengthen its social impact with its internal and external stakeholders**. This strategy is aligned with the Group's values and its new purpose to "move people through the wonders of sport". The strategy has three main focuses:

- 1. Employability
- 2. Sport for all
- 3. Community and solidarity

Decathlon wants to conduct its business in a way that has the most positive impact on society, through its business model and through the decisions all its teammates make every day.

## Facilitating sports practice and bringing communities together

### DEPLOYING SPORTS PLATFORMS

As an equipment manufacturer, **Decathlon has an important role to play in encouraging people to become involved in sports as an essential element of health and wellness, as well as low-carbon travel** (walking, cycling, etc.). By deploying digital platforms that make it easier to practise a sport, Decathlon is positioning itself as a true partner that responsibly supports users throughout their sporting lives. These new business models also help develop positive dynamics within communities by creating networks and strengthening ties between users who get together to share sports experiences.

- **Decathlon Conseil Sport<sup>1</sup>** is an on-line sports, fitness and wellness magazine that advises, informs and inspires readers of all sporting levels.
- **Decathlon Coach<sup>2</sup>** offers audio and video sports training sessions for all levels and measures performance. Over 1,000 programmes and training sessions are available for many sports (running, walking, Pilates, fitness, cardio, bodybuilding, yoga, etc.). The app has been translated into nine languages and is available in most countries, allowing users to practise nearly 70 sports for free. More than 25 training sessions are performed every minute of every day using this app.
- **Decathlon Outdoor<sup>3</sup>** is a hiking, cycling and snowshoeing app. It is totally free and offers more than 40,000 routes throughout France. Its mapping and guidance features guide users along their walk or ride.
- **Decathlon Activités<sup>4</sup>** can be used to book sports activities led by professional coaches for free or for a fee in seven countries. Its main goal is to help children become involved in sports and to introduce families to new sporting activities.

- **Decathlon Training +<sup>5</sup>** is a subscription service offering free video fitness classes and programmes in France. This offer will be redesigned in 2024 to enhance its integration in the Decathlon experience.
- **Decathlon Pacer<sup>6</sup>** is a running and trail running app that offers free, customised support. It became available in France in 2023, providing fully-personalised, scalable and complete training plans (nutrition, muscle-strengthening, mental preparation, etc.).
- **Decathlon Travel<sup>7</sup>** is a sports travel booking platform for individuals and groups, in France and abroad. The website lists nearly 800 sports trips organised around 25 sports, for all levels and every budget. Stays are offered by partners who are selected for their local and sporting expertise, as well as their commitment to a responsible social and environmental approach.
- **TrainMe<sup>8</sup>** is a Decathlon subsidiary that allows users to book sports services led by one of 2,700 coaches certified by the platform. In 2022, TrainMe and Decathlon Pro<sup>9</sup> together launched a new service for companies to make it easier for employees to practise sport. Since its creation, 1,500 client companies in France have used TrainMe Corporate solutions<sup>10</sup> in 36,000 sports sessions involving 150,000 participants.

In 2023, **these various services helped more than 3.1 million people get active around the world** (including 2.8 in France) through 15.3 million sports sessions. This strong growth in the number of sessions performed can be explained by a new loyalty programme that was implemented in France in late 2022. To encourage regular sports practice, Decathlon France now rewards its customers by crediting their loyalty cards with up to 100 points per week for an hour of exercise recorded via a mobile app and/or a compatible connected object. Actions taken for the environment and people in vulnerable situations are also rewarded.

The goal for 2024 is to extend this new loyalty programme to other countries and to further improve Decathlon's service offering to make it easier for everyone—both beginners and experienced athletes—to practice sport on their own or with their family, at home or outdoors.

KEY FIGURE as of 31/12/2023

**15.3 million**  
sports sessions  
were performed using  
Decathlon's services  
11 million in 2022

1. For more information on Decathlon Conseil Sport: <https://conseilSport.decathlon.fr/>.  
2. For more information on Decathlon Coach: <https://www.decathloncoach.com/>.  
3. For more information on Decathlon Outdoor: <https://www.decathlon-outdoor.com/>.  
4. For more information on Decathlon Activités: <https://activites.decathlon.fr/>.  
5. For more information on Decathlon Training +: <https://www.decathlon-training-plus.com/>.  
6. For more information on Decathlon Pacer: <https://www.decathlon-pacer.com/>.  
7. For more information on Decathlon Travel: <https://www.decathlontravel.com/>.  
8. For more information on TrainMe: <https://trainme.co/>.  
9. For more information on Decathlon Pro: <https://www.decathlonpro.fr/>.  
10. For more information on TrainMe Corporate: <https://decathlonpro.trainme.co/>.

LOCAL INITIATIVES

Great Britain

In line with the company’s purpose, “Move people through the wonders of sport”, Decathlon UK wants to use sport as a tool to improve its employees’ and customers’ physical and mental well-being. To do this, the teams encourage sports practice locally through various initiatives, such as:

- **The RED January campaign<sup>11</sup>:** For the past three years, Decathlon UK has partnered with this national movement held in January that invites people to take part in sporting challenges to boost their physical and mental health during a time of year when people are generally less active. The company uses its communication levers to encourage as many people as possible to participate, through fundraising in stores and by selling sports equipment bearing the event’s logo. The funds raised are donated to the Sport in Mind<sup>12</sup> charity. This association uses sport and physical activity to improve the lives of people facing mental health challenges. The money raised this year funded assistance for 100 people for 40 weeks.
- **ParkPlay:** In 2023, Decathlon UK became an official partner of ParkPlay, a free two-hour community event held every Saturday morning in a park or other public space. This year, Decathlon provided equipment for ten parks.
- **Canada Water community fund:** This fund was established in 2021 with Art-Invest to facilitate access to sport for people living near the Canada Water Decathlon store in London. In 2023, over €38,000<sup>13</sup> were donated to six local associations to provide free tennis lessons, hold football and cricket sessions for girls, support the organisation of rowing lessons and purchase equipment for the local boxing club. The Franco-British Chamber of Commerce & Industry lauded this initiative, which presented Decathlon with its 2023 Community Impact Award<sup>14</sup>.

Thanks to all the initiatives of Decathlon UK, local communities were able to enjoy 52,000 hours of sport in 2023.

France

With its 325 stores, Decathlon is a major economic player in France. So, it wants to use its solid local roots to work as closely as possible with local stakeholders. One of its main ambitions is to promote physical activity and sports for all.

Several 2023 events, projects and initiatives are worth mentioning:

- **Vitalsport:** In September, Decathlon held the 28<sup>th</sup> edition of Vitalsport, a free event open to everyone that promotes the practice of sport and sport-for-health, introducing activities to as many people as possible, raising awareness about inclusion and supporting sports players locally (2,321 associations, leagues and clubs were involved in 2023). This year, 103 stores held the event over one or two days, providing an opportunity for 321,285 participants, including 184,192 children, to try dozens of different sports.
- **Olympic Day:** more information on page 191.



■ Testing local projects with a social impact:

- **“Une balle, un mur<sup>15</sup>”:** Decathlon designed the first One Wall court<sup>16</sup> (through active design<sup>17</sup>) in France in partnership with the city of Roubaix in 2023, meeting a need to find new ways to help local residents become active. Decathlon plans to deploy this project at several Decathlon sites, and to propose it to authorities to help bring life to their city centres and school playgrounds with innovative, colourful and sustainable designs.
- **“Génération 2024, on passe la 5<sup>e</sup><sup>18</sup>”:** This project involves 12-year-old pupils in three workshops (nutrition/hydration, exploring sports professions and sports workshops) led by secondary school students, to encourage the children to use their bodies and their brains. Two trials involving 500 pupils were conducted in Lille and Roubaix, in partnership with Decathlon. The goal now is to duplicate this project in every region in which the company is present to reach 15,000 children in 2024.
- **Signature of a partnership with the French national association of elected officials in charge of sport<sup>19</sup> (ANDES):** Decathlon France and ANDES signed their first partnership at the sports show held in November 2023 as part of the French Mayors and Local Authorities (SMCL)<sup>20</sup> fair. This new partnership is founded on a shared desire to get more people involved in sport in all French regions, schools and public spaces to encourage physical activity and health benefits. This will be accomplished by developing active design (the main focus) and organising sports events through rentals of inflatable structures (climbing wall, boxing ring etc.).

Testimonial



**Laurence FISCHER, Social Innovation Leader, Decathlon France, and running enthusiast**

*“Decathlon France wants to partner with others to solve new problems in society. In France, we have chosen to join forces with local stakeholders to fight the sedentary lifestyle of children and young people aged four to twenty-five. We’re convinced that sport has virtues that can help them find their place in life and in society. After testing various projects, we now want to work at our full potential as a company, progressively spreading our impact to all of France through our social impact projects.”*

Committing to society through the Decathlon x Paris 2024 partnership

In July 2021, Decathlon became an official partner of the Paris 2024 Olympic and Paralympic Games. This partnership is founded on Decathlon’s desire to use its expertise to serve the world’s largest sporting event by dressing the event’s 45,000 volunteers with a collection having as little impact as possible. **The partnership is based on circular and sustainable design, while providing the company with a unique opportunity to share with the world its values** of sport, vitality, respect, goodwill and self-improvement, and to pass these values on to younger generations.

Using its history and its solid presence in towns and cities across France, Decathlon wants to bring the Olympics experience to everyone in the country. A number of projects with a social impact had already been launched in France in 2022 through the Decathlon x Paris 2024 partnership.

PROMOTING THE INCLUSION OF YOUNG PEOPLE

As part of the Paris 2024 partnership, Decathlon France’s Engaged and Inclusive team (QWLWC)<sup>21</sup> launched a voluntary inclusion programme in 2022 **to help young people having dropped out of school to find a job**. This programme was held in 2022 and 2023, and structured around immersing young people in the company for ten days to teach them about the world of work, introduce them to the jobs available at Decathlon and help them discover their individual talents. Of the 208 young people who joined at the beginning of the programme, 91 have already found a job, three of which are at Decathlon. The seven integration days held in 2023 were opened up to more people, allowing 75 young people to learn about considerate communication with Decathlonian and French athlete Yohann Diniz, or to participate in a simulated job interview (24 participants). Five young people applied to be volunteers at the 2024 Olympic Games in Paris; all were selected and will be able to experience the Olympics from the inside.

PROMOTING THE PRACTICE OF SPORT

Olympics Day

For the second consecutive year, Decathlon helped organise Olympics Day, which is celebrated in June every year<sup>22</sup>. Traditionally, this day offers everyone an opportunity to try Olympic and Paralympic sports with experienced athletes, while sharing Olympic values. As part of its partnership with Paris 2024, **Decathlon France has created sports villages to put sport at the heart of three cities named as “Terre de Jeux 2024” (Marseille, Lille and Reims), allowing over 268,000 people to practice or learn a sport** (boxing, archery, climbing, skateboarding, breakdancing, etc.).

The company also organised Olympics Day 2023 (lending event equipment, holding sports activities, etc.) alongside local authorities in eight other “Terre de Jeux 2024” cities<sup>23</sup>. The event attracted close to 12,500 people. Lastly, 1,700 customers participated in sports challenges held at 32 Decathlon stores across France during the weekend. Through all these events, Decathlon aims to promote sport at the heart of the regions.

Facilitating teammates’ community involvement in France

At Decathlon France, freedom to be oneself is an ambition that is evaluated and tracked every year<sup>24</sup>. As a result, Decathlon **supports and facilitates teammates’ involvement with associations** through:

- **Special agreements integrated into working conditions:** for example, for teammates working as volunteer firefighters<sup>25</sup> (including paying ten days of training and with one day of paid leave per month) since 2021 or reservists<sup>26</sup> since 2023 (five days of training and twelve days of paid leave)
- The opportunity to **transform team meetings into times of sharing and solidarity with local associations** thanks to SoliDAYcathlon (eight teams held a solidarity day in 2023)
- **Actions with partner associations specialising in inclusion** (disability, integration, etc.)
- The opportunity to **run a sports and inclusion project with the Decathlon Foundation<sup>27</sup>**
- **Skills-based sponsorship of older employees:** since 2022, teammates over the age of 57 with at least ten years of seniority in the company can devote half a day each month to social integration missions during working hours.

One site = One inclusive partnership: A win-win project

Decathlon France launched its project “One site = One inclusive partnership” in 2022 to get **all sites involved with a local association of their choice by the end of 2024**. These win-win partnerships increase each site’s social impact by offering beneficiaries the opportunity to learn about the company and its jobs, provide a variety of expert skills and set up sports activities within the association. For Decathlon, this commitment strengthens its teammates’ sense of pride, attracts new employees and increases team diversity on its local playing fields. As of 31 December 2023, 225 out of 372 sites had an active partnership (compared with 135 out of 323 sites in 2022). While the partnerships initially focused on the occupational integration of young people having difficulty finding employment, Decathlon broadened the scope this year to address the topic of health through sport, disability and education.

11. For more information on RED January: <https://join.redjanuary.com/>.

12. For more information on Sport in Mind: <https://www.sportinmind.org/>.

13. 33,120 pounds.

14. For more information on this award: <https://www.ccfqb.co.uk/events-clubs/franco-british-business-awards-2023/community-impact-award.html>.

15. “One wall, one ball”.

16. In this sport, players take turns hitting a rubber ball against a wall with their hand.

17. Active design: Active design involves equipping public space and buildings to encourage physical activity or sports, in a free way.

18. “Generation 2024: going into 5<sup>th</sup> gear”.

19. For more information on ANDES: <https://andes.fr/>.

20. For more information, see the press release: [https://www.decathlon.media/fr\\_FR/dossiers-communiqués/decathlon-et-l-andes-signent-un-partenariat](https://www.decathlon.media/fr_FR/dossiers-communiqués/decathlon-et-l-andes-signent-un-partenariat).

21. Quality of Work Life and Working Conditions.

22. Events are organised over one, two or three days between 23 and 25 June 2023.

23. Besançon, Divonne-les-Bains, Lorient, Lyon, Mulhouse, Rennes, Vaires-sur-Marnes and Versailles.

24. For more information on the Decathlon Teammates Barometer, p. 137.

25. For more information on this agreement, see NFRD 2021, p.129.

26. For more information on the agreement signed with the national guard: [https://www.decathlon.media/fr\\_FR/dossiers-communiqués/decathlon-soutient-la-garde-nationale](https://www.decathlon.media/fr_FR/dossiers-communiqués/decathlon-soutient-la-garde-nationale).

27. More information on the Decathlon Foundation is available on p. 193.

Responding to exceptional crises

In keeping with its values of responsibility and generosity, Decathlon created an international solidarity fund in 2022 to support people facing exceptional events<sup>28</sup>. The fund is managed in partnership with the King Baudouin Foundation<sup>29</sup>, which is expert in international philanthropy, and allows the company to contribute to projects led by non-governmental organisations (NGOs) that share Decathlon's values and that are recognised internationally for their reliability and transparent management. Medium- and long-term projects are preferred in order to guarantee Decathlon's impact and support over time. Donation usefulness and traceability must also be guaranteed to prevent any risk of corruption or evaporation of funds. In emergency situations, Decathlon is also ready to provide all necessary assistance to meet the basic needs of communities in the short term. During exceptional crises, a committee composed of representatives from Decathlon and the King Baudouin Foundation, as well as an external international expert, meets regularly to evaluate needs, define and identify local NGO projects, reread proposals, approve funding and monitor projects.

The Group has also created a Decathlonian mutual assistance association that collects donations when needed to help teammates and their families who are experiencing an exceptional crisis. The association relies on the strong community of Decathlonians around the world.

HELPING THE PEOPLE OF UKRAINE

After collecting donations in 2022 to help the people affected by the conflict in Ukraine<sup>30</sup>, the Decathlon International Solidarity Fund released €782,832 this year. This money was allocated to six projects conducted by local NGOs to meet:

- **The population's basic needs:** shipping and distributing equipment
- **The prosthetics needs for wounded persons:** opening the Vilni prosthetics factory in Lviv, financing medical equipment for the rehabilitation centre at Vinnytsia Medical University, supporting research, creating a specialised centre with support for the rehabilitation of 70 amputees in Kharkiv. These actions have already assisted 3,500 wounded people
- **Support for women victims of violence:** offsetting up mobile teams to offer shelter, psychological support and social assistance to women in three Ukrainian regions; creating a crisis unit to ensure the safety and long-term support for women and girls in Rivne. These actions have already assisted 6,100 women victims of violence

Decathlon is observing the changing needs of the Ukrainian people closely and stands ready to take further action.

SUPPORTING EARTHQUAKE VICTIMS

Turkey

On 6 February 2023, two earthquakes struck Turkey, killing more than 50,000 people. In response to one of the worst natural disasters in the region in a century, Decathlon quickly jumped into action to ship clothing and equipment worth one million euros to the most affected areas. Through its international solidarity fund, the company also released one million euros in exceptional funding. These donations have financed:

- **20 prefabricated housing units to accommodate families of five people** and one month of food aid for nearly 4,200 victims
- **550 food packages** for families of five and dishware kits to support the food needs of the people in the city of Adiyaman
- **Grants of around \$1,000 given to 80 entrepreneurs** to enable them to reopen their neighbourhood stores or small businesses

Morocco

On 8 September 2023, Morocco experienced the most powerful earthquake in its history in the High Atlas region. Nearly 3,000 people were killed and 300,000 were left homeless. The Decathlon teams on site responded very quickly to provide a variety of essential goods (tents, duvets, warm clothes, etc.) valued at €500,000. These items were shipped to the affected areas by a local NGO. The Group also assigned €500,000 from its international solidarity fund to support NGO projects contributing to the reconstruction of impacted villages and a return to normal life for their residents.

Decathlon is observing the changing needs of affected communities in Turkey and Morocco very closely and stands ready to continue its assistance.



Using sport to promote social inclusion

Since 2005, the Decathlon Foundation<sup>31</sup> has supported teammates in developing projects that have a positive social and societal impact by using sport as a vehicle for social inclusion and health. By providing people in vulnerable situations with access to sport and by allowing teammates to establish long-lasting ties with local players, the Decathlon Foundation fully reflects the company's values and purpose: "Move people through the wonders of sport".

The Foundation was created for all Decathlon employees, providing human and financial resources to all 50 countries wanting to conduct a social project. In addition to France, where the company was founded, Brazil, Spain, India, Italy and Portugal now select their own societal projects autonomously.

2023 HIGHLIGHTS

The Decathlon Foundation continues to support associations in helping the most disadvantaged people.

Many new projects (118) were launched in 2023 thanks to the Decathlon Foundation.

This year, the Foundation also began working in the sport-for-health sector. For the first time in France, it launched a call for projects from French healthcare institutions.

KEY FIGURES as of 31/12/2023

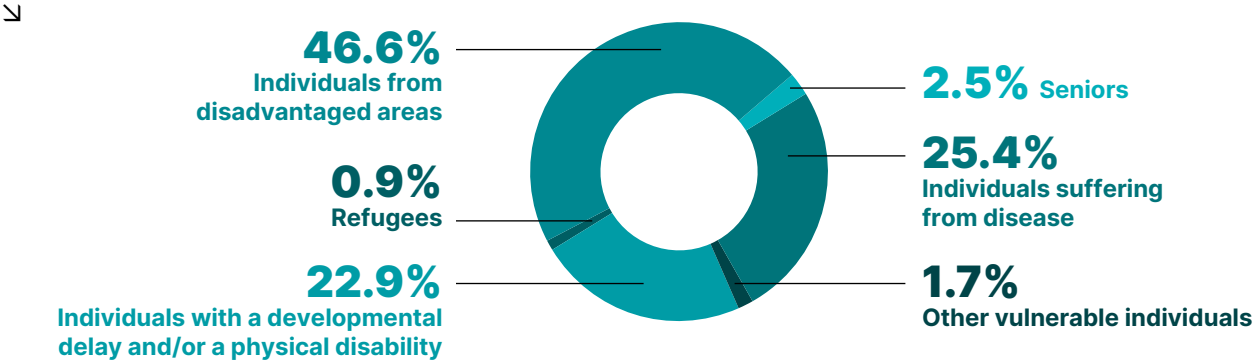
44,819 beneficiaries<sup>32</sup> in a vulnerable situation were able to practise a sport regularly in 22 countries, thanks to the Decathlon Foundation's support

42,416 in 2022

118 projects supported by the Foundation

83 in 2022

Breakdown of beneficiaries of Decathlon Foundation projects by category as of 31/12/2023



28. Events that are unforeseeable, unavoidable and beyond the control of the parties.  
29. For more information on the King Baudouin Foundation: <https://kbs-frb.be/fr>.  
30. For more information, see NFRD 2022, p.159.

31. For more information on the Decathlon Foundation: <https://www.fondationdecathlon.com/?lang=en>.  
32. For more information, see methodological note 123 on p.197.

Foundation Day:  
Sharing sports with vulnerable people



On 7 June 2023, the Decathlon Foundation once again held Foundation Day, its solidarity and sports day. During the event, Decathlon stores and warehouses invited local associations to practise sports activities. The objective of this day is to put into practice the Decathlon Foundation's mission: "Move people in vulnerability through the wonders of sport".

- Foundation Day 2023 in numbers:
- 18 countries and 338 sites around the world held this event
  - Over 900 Decathlon volunteers, including 140 teammates in Brazil, took part
  - 110 Spanish sites, 50 Indian sites, 50 Italian sites and 22 Brazilian sites participated.

Taking action to assist vulnerable  
people around the world

In 2023, the Decathlon Foundation launched 118 new projects (compared to 83 in 2022) involving 44,819 beneficiaries in 22 different countries.

SPAIN

Providing sports equipment  
to people with disabilities

For over fifteen years, the San Javier store team has been supporting the Aidemar association<sup>33</sup>, which **works to integrate people with disabilities**. The Decathlonians who are involved participate in sports activities with the beneficiaries several times a year, including on Foundation Day and during their collective meetings.

Thanks to the Decathlon Foundation, a new project was launched in 2023 to promote physical health and well-being for people with disabilities. Through this project, Decathlon provides sports equipment and helps facilitate the practice of sport and social interactions for the beneficiaries.

This project involved **nearly 300 people in 2023**.



The project leaders have developed a three-year sports plan to help the beneficiaries find new ways of living. Sport helps them develop self-confidence and learn positive attitudes such as respect, autonomy, fair play and solidarity.

Five teammates take turns leading weekly sports sessions at three shelters. **In total, close to 60 children benefited from these actions in 2023**. The project aims to grow in 2024 to reach street children as well.

Testimonial



**Sara HELMY**, Store Manager,  
leader of the Street Fighters project  
and running enthusiast

*"I see the difficulties faced by disadvantaged people, especially children, as well as the stress and pressure they face every day. As a human being and a Decathlonian, I want to give them a chance to improve their quality of life through sport. I believe that sport has a magical impact on health, state of mind and attitude."*

EGYPT

Street Fighters: Supporting  
the integration of disadvantaged children

With the help of the Foundation, the Decathlon Egypt team set up its first project in May 2023. In partnership with Samusocial International Egypt (SSIEG)<sup>34</sup>, **the Street Fighters project works towards socially reintegrating children and teens between the ages of five and eighteen who are living in shelters**.

33. For more information on the Aidemar association: [www.aidemar.com](http://www.aidemar.com).

34. For more information on Samusocial International: <https://samu-social-international.com/?lang=en>.



THE PHILIPPINES

Move4Change: Helping young people enter employment

Since 2019, the Decathlon Foundation has supported stores in the Manila area and the NGO Life Project 4 Youth<sup>35</sup> (LP4Y) to help young people from disadvantaged backgrounds enter the working world.

The Move4Change project aims to involve young people in a professional integration programme that teaches them how to develop and manage a micro-business with the aim of introducing slum residents to sport. Decathlon teammates hold sports practice sessions and workshops, and provide training on sales, customer service, CV writing, and job interviewing.

Testimonial

**Banc AQUINO,**  
beneficiary of the Move4Change project

*"It's a blessing for us young people who have a hard life and dream of a better future. This project gave us a goal and supported us. It helped us acquire the skills we need to make our dreams come true."*

The project expanded in 2023:

- 250 young people completed the programme
- 151 found a job
- 2,768 young people from LP4Y and local communities participated in sports activities

PERFORMANCE INDICATORS

| DECATHLON FOUNDATION                                                                 | 2022   | 2023              |
|--------------------------------------------------------------------------------------|--------|-------------------|
| Number of projects validated by the Decathlon Foundation (from 01/01 to 31/12)       | 83     | 118 (Note 122)    |
| Number of beneficiaries of Decathlon Foundation projects (from 01/01 to 31/12)       | 42,416 | 44,819 (Note 123) |
| Number of countries concerned by Decathlon Foundation projects (from 01/01 to 31/12) | 22     | 22 (Note 124)     |
| % by category of beneficiaries of Decathlon Foundation projects:                     |        |                   |
| → % people with mental and/or physical disabilities                                  | 30.1%  | 22.9%             |
| → % people from disadvantaged neighbourhoods                                         | 51.9%  | 46.6%             |
| → % people with diseases                                                             | 8.4%   | 25.4%             |
| → % senior citizens                                                                  | 4.8%   | 2.5%              |
| → % refugees                                                                         | 2.4%   | 0.9%              |
| → % other situations of fragility                                                    | 2.4%   | 1.7%              |

NFRD 2023 methodological notes

**Note 122:** The year 2023 was marked by many projects. The Foundation teams provided assistance and support to 67 projects. 21 of the 67 projects supported this year were carried out by Decathlon Italy teams, and two new countries carried out their first Foundation project: Egypt and Tunisia.

At the same time, 51 "exceptional" projects were carried out: one-off donations for special projects (12), extended or strengthened partnerships (9), calls for projects (24), and sports and solidarity events (6).

In total, the teams supported 118 projects in 2023.

**Note 123:** The number of validated projects is not in itself an indicator for the Decathlon Foundation. Indeed, the key element for the Foundation is the monitoring of the number of beneficiaries who have been able to access sport on a regular basis thanks to the funded projects.

44,819 people benefitted from projects undertaken by the Foundation in 2023. Added to this are the many beneficiaries of "exceptional" projects, who have not been taken into account in the calculation, as this is a different indicator.

A total of 914 projects have been undertaken since 2005 ("exceptional" projects included), impacting around 555,000 beneficiaries (estimate resulting from the impact measurement).

**Note 124:** In 2023, projects were carried out in 22 countries:

Belgium, Benin, Brazil, Burundi, Cambodia, Mainland China, Egypt, France, India, Indonesia, Italy, Ivory Coast, Japan, Madagascar, Morocco, Poland, Portugal, Senegal, Spain, United Kingdom, Thailand, Tunisia.

35. For more information on the NGO Life Project 4 Youth: <https://en.lp4y.org/>.

# 4

# CREATING SUSTAINABLE VALUE

TRANSFORMING TO DEVELOP HEALTH  
AND WELL-BEING THROUGH SPORT

**BUSINESS CONDUCT**

DECATHLON IS COMMITTED TO THE UNITED NATIONS  
SUSTAINABLE DEVELOPMENT GOALS



SUSTAINABLE  
DEVELOPMENT  
GOALS



8 DECENT WORK AND  
ECONOMIC GROWTH



16 PEACE, JUSTICE  
AND STRONG  
INSTITUTIONS



17 PARTNERSHIPS  
FOR THE GOALS



# 4.1

## BUSINESS CONDUCT

ETHICS AND COMPLIANCE  
SUPPLY CHAIN  
DIGITISATION  
PERFORMANCE INDICATORS  
EXTERNAL STAKEHOLDERS



# ETHICS AND COMPLIANCE

## Conducting company activities responsibly

Decathlon works on a number of levels in conducting its business responsibly, focusing on adopting ethics standards to fight corruption, fraud and influence peddling, respecting its Duty of vigilance and protecting personal data. All these elements are at the heart of its ethics and compliance strategy.

Because Decathlon is present in 57 countries/regions, and is a player in the global sports market, it risks being exposed to corruption and influence peddling. **The company adopts a zero-tolerance approach for these risks.** Following the entry into force of France's Sapin II<sup>1</sup> law in 2017, Decathlon established a corruption and influence peddling prevention and detection programme that is applied in every subsidiary around the world.

The company is also subject to the US Foreign Corruption Practices Act and the UK Bribery Act.

In accordance with the French law on the Duty of Vigilance<sup>2</sup>, Decathlon also constructs a **vigilance programme** covering the social and environmental impacts in its value chain and in its commercial partners' activities. The company has presented this programme in its Vigilance Plan<sup>3</sup> every year since 2017.

Lastly, the Group **protects personal data** by applying the European Union's General Data Protection Regulation<sup>4</sup> (GDPR), which came into force in 2018, in addition to local regulations in the countries where Decathlon is present.

### 2023 HIGHLIGHTS

The company held its **"Ethics and Compliance Month"** for the **second consecutive year** to raise awareness among teammates around the world.

Decathlon updated its list of positions **most at risk and its third-party evaluation strategy** following updates to its corruption and influence peddling risk mapping.

The Group conducted **three new compliance reviews** in Algeria, Bulgaria and Italy, and aims to extend this process to other countries.

KEY FIGURES as of 31/12/2023

**100%**  
of countries have adopted Decathlon's "Anti-corruption" Code of conduct  
100% in 2022

**100%**  
of the countries in which Decathlon operates have appointed an Ethics & Compliance Referent  
100% in 2022

**100%**  
of reports received via the alert platform were processed (70%) or are being processed (30%)  
100% in 2022

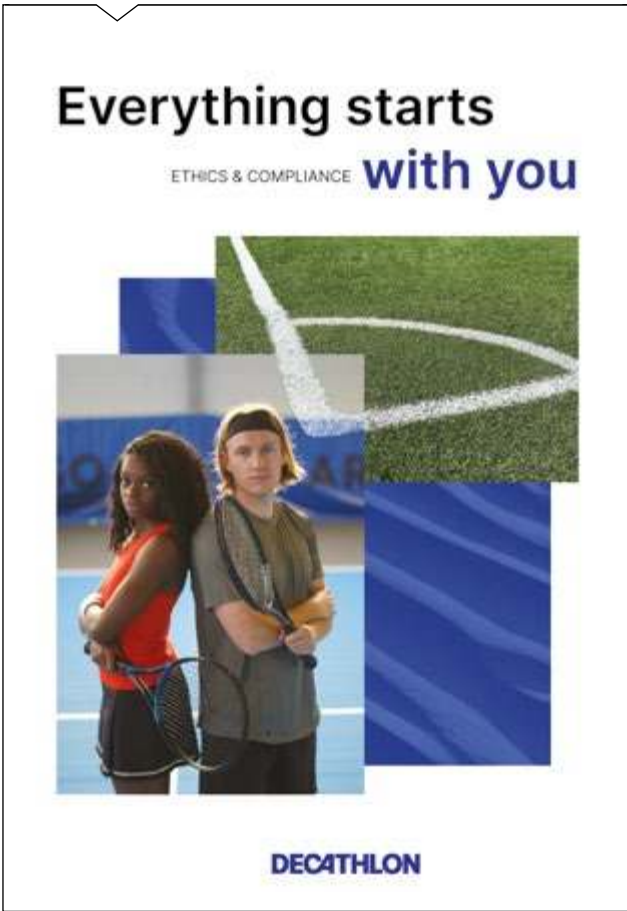
## Providing guidance on ethics and compliance issues

### STEERING COUNTRY COMPLIANCE

To provide guidance on ethics and compliance issues, the teams responsible for business ethics, Duty of vigilance and personal data protection use a scorecard that provides a **regular snapshot of the level of compliance in the countries.**

In addition to tables dedicated to specific criteria in the various topics, the global scorecard includes a general ranking to provide country leaders with an overview of their own degree of compliance and that of other countries. This system reveals any deviations that exist between national compliance and company objectives, and establishes healthy competition between the countries while encouraging them to share good practices in a logic of continuous improvement.

### RAISING TEAMMATE AWARENESS



Decathlon held its **"Ethics and Compliance Month"** for the second consecutive year, from 14 November to 8 December 2023. This awareness campaign helps everyone to gain a better understanding of the Group's internal rules, its ethical principles and their stakes in order to **conduct themselves with integrity on a daily basis.**

This year's event featured an interview with Decathlon's Chief Retail and Country Officer, special programmes broadcast weekly on the company's French radio station, thematic videos, conferences in France hosted by the Group's Ethics and Compliance team (business ethics, occupational stress risks, personal data protection, etc.) and a communication kit distributed in the countries. Decathlon also created an immersive virtual reality experience especially for this event. This unique training module dedicated to raising awareness of corruption, harassment and personal data breaches, presented employees with fictitious situations (inspired by actual events) in which each decision influences subsequent events. This innovation helped some participants become more aware of the issues and provided useful reflexes to handle them.

In addition to this awareness campaign, Decathlon held a Legal and Compliance Summit in France in October 2023. During this event, 211 teammates from 41 countries, who are experts in these subjects, attended 38 presentations and participated in ten workshops to develop their skills and share their best practices.

## Fighting corruption, fraud and influence peddling



### THE "ANTI-CORRUPTION" CODE OF CONDUCT

Adopted in 2019, the "Anti-corruption" Code of conduct defines and illustrates the types of behaviour that should be adopted or avoided to prevent and combat corruption and influence peddling. It advocates zero tolerance in this matter. This document also lists a set of good reflexes when dealing with delicate ethical situations.

The "Anti-corruption" Code of conduct has been translated and adapted to local regulations, with local examples to ensure that teammates in every country are able to fully understand it and take ownership of it. It is binding on all employees worldwide. To monitor changes within the company and its external ecosystem, Decathlon developed a new anti-corruption policy this year, which will be rolled out in all countries from 2024 and will replace the "Anti-corruption" Code of conduct. The Group will distribute a new global Code of conduct dedicated to all ethics and compliance topics at the same time.

1. Law No. 2016-1691 of 9 December 2016 on transparency, the fight against corruption and the modernisation of economic life.  
2. Law No. 2017-399 of 27 March 2017 on the Duty of Vigilance of parent companies and contracting companies.  
3. Note that Decathlon's Vigilance Plan addresses primarily human issues within the company and in production, as well as relations with third parties. It refers to the Non-Financial Performance Declaration, where environmental issues are developed further.  
4. Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016, on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC.

MAPPING THE RISKS OF CORRUPTION AND INFLUENCE PEDDLING

In 2022, **Decathlon updated its risk mapping**<sup>5</sup> of exposure to corruption and influence peddling for the company's different businesses. As of 31 December 2023, 100% of countries had signed the final report presenting the results of this new risk mapping.

Following this, **Decathlon developed an action plan in 2023 for each of the countries in which it is present** to establish measures, procedures, policies or guidelines addressing the main risks identified in the mapping. These action plans will be rolled out in 2024 and 2025.

**The list of positions most at risk was also updated this year.** This list is structured according to the different business sectors. The categories of positions most at risk in the company are:

- retail positions, given the high number of store employees
- real estate positions, given the risks inherent in this activity (value of the transactions, collaboration with public authorities, etc.)
- production positions, given the high number of external suppliers and related financial stakes
- logistics positions, given the diversity of activities at the local and Group levels

These categories differ depending on the country and the business conducted in the regions. A list of the five highest-risk activities which are associated with the most vulnerable positions was drawn up for each country. This latest list of positions led to **the creation of new training courses focusing on** criminal offences, the gift and entertainment policy, conflicts of interest, the internal alert platform and the assessment of third parties. These training programmes are offered every two years.

ASSESSING THIRD PARTIES

Decathlon provides every employee with **a tool to assess the third parties** with which they might work. The tool uses a risk-based approach to assess their reputation and guide teammates in determining whether collaboration is possible or whether further verification is required before a contract can be signed. Local referents are trained in the use of this tool and in third-party assessments to assist employees.

In 2023, following the risk mapping update, Decathlon also adapted its assessment strategy to prioritise third parties at greatest risk.

COMPLIANCE REVIEWS

**Decathlon conducted compliance reviews in Algeria, Bulgaria and Italy over a period of several weeks this year.** The reviews require good knowledge of local issues and a sufficient level of establishment of the "Business ethics" programme launched in 2017 and its effectiveness, which requires several years of work.

Compliance reviews involve examining a set of documents and interviewing teammates in countries to observe how they interact with third parties in order to identify the risks of corruption and influence peddling. Following these steps, a report is drafted that proposes a series of actions to be implemented and monitored.

In 2024, the teams will focus on extending the compliance reviews to more countries in order to assess the programme's effectiveness.

THE ALERT SYSTEM

Decathlon deploys a variety of tools to raise teammate awareness of the risks of corruption and influence peddling and to enable them to react, when necessary.

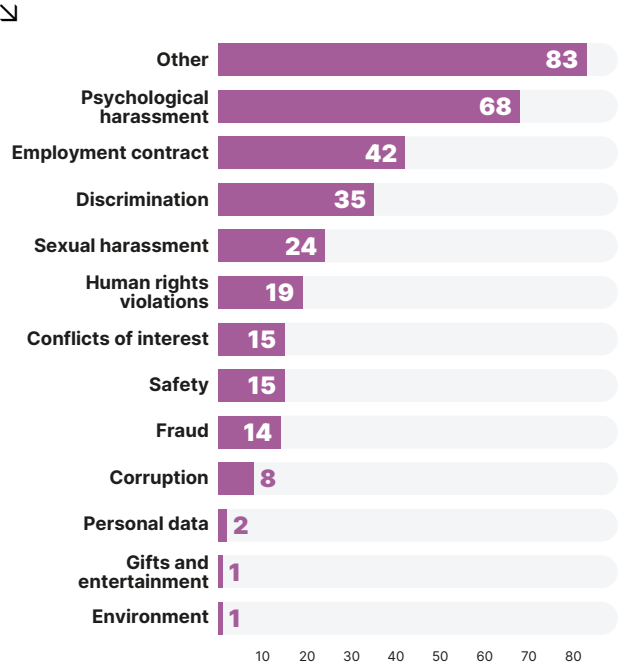
Internally, teammates have access to a site that provides all the information necessary to prevent these risks.

**The alert platform (Whispli)**<sup>6</sup> has been deployed in all countries, enabling teammates—and anyone outside the company—to report situations they believe to be contrary to the company's values, Code of conduct or current regulations. This platform is also used in-house to report corruption, discrimination, harassment, or any other situation that could jeopardise the company or employees' physical or mental health.

With the alert system, **Decathlon protects the anonymity of whistleblowers**, whose identity is disclosed only with their permission. The company ensures that teammates who submit a report experience **no deterioration in their working conditions** and face no disciplinary sanctions.

In 2023, **100% of the reports received were addressed (70%) or are currently being addressed (30%)**. More reports were submitted this year than in 2022 (287 vs 156), which the teams believe reflects increased teammate confidence in the platform.

Breakdown of reports by topic<sup>7</sup>



Reports can be submitted on the platform locally or at the Group level. A team of three full-time case managers is responsible for processing reports internationally. Referents in the countries are also responsible for handling local reports; 250 people were trained in the alert management procedure this year.

**The processing of the reports can lead to various measures being implemented, depending on the situation:** more stringent accounting controls, communication and awareness-raising actions, compliance reviews, training or disciplinary measures. These last measures are decided by sector leaders or by the hierarchical superiors of the person affected by the sanction. Decathlon's Ethics commission<sup>8</sup> has met to rule on the most sensitive cases since 2021. From 2024, local ethics committees will be established to directly address reports issued within each country.

UPGRADING SKILLS IN THE REFERENT NETWORK

**In 2023, 100% of the countries in which Decathlon is present had appointed an Ethics & Compliance referent** (100% in 2022). The network receives regular training to improve skills, particularly on emerging issues. This year, referents gave priority to training the positions at greatest risk based on the new list.

Fulfilling the Duty of vigilance at every level of the company

The Duty of Vigilance team leads, challenges and guarantees reasonable coverage of the company's environmental and social risks and impacts throughout its value chain. To do this, it relies on referents who are responsible for setting up the Duty of Vigilance programme within their scope. The programme is also presented to corporate governance at special meetings of the Audit and Finance committee, and it has been formally defined in Decathlon's Vigilance Plan and in the Non-Financial Reporting Declaration.



In June 2023, Decathlon published the **sixth edition of its Vigilance Plan**, covering the 2022 financial year. This public report is accessible to everyone and covers all of the company's responsibilities regarding its value chain and third parties. It presents a mapping of environmental and human rights risks, action plans to prevent these risks, remediation plans and it explains how the alert system operates. For this edition, the vigilance team again used data from Verisk MapleCroit<sup>9</sup> to establish its risk mapping, while proposing extended coverage to 100% of countries in which Decathlon owns stores and 100% of production countries.

➡ **The Decathlon Vigilance Plan is available at:** <https://sustainability.decathlon.com/decathlon-annual-sustainable-development-reports>.

Protecting personal data

Decathlon works to protect the personal data of its teammates, its customers and all its stakeholders, actively **applying the principles of personal data protection in accordance with the local legal framework** in every country in which it is present. In the interests of consistency and efficiency, the company communicated four main ethical principles in 2016 that must be respected by each subsidiary:

- 1. The principle of transparency:** Decathlon is transparent towards any person affected by data processing
- 2. The principle of relevance:** the company collects only the data it requires to serve and benefit its stakeholders
- 3. The principle of security:** Decathlon commits to apply all security measures required to protect personal data
- 4. The principle of ownership:** the company considers that every person must retain ownership and control of their personal data. This increases Decathlon's responsibility as it must do everything possible to ensure that this principle is respected

To support the teams and share good organisational and operational practices, the subsidiaries of the countries in which Decathlon is present have organised themselves and appointed either a **Privacy Officer** or a **Data Protection Officer** (who is registered with the country's national authority). In 2023, two new people were appointed to the structured central data protection team; they will help the company apply its four main principles. This year, work was done on **continuously improving the assessment of personal data processing, remediation actions** and documentation relating to the subject. This work was conducted jointly by the data protection teams, legal teams and other internal stakeholders.

Personal data protection training courses were also updated. These new versions will be available in 2024 for both in-person and online training.

**Decathlon also participates proactively in regulatory developments** related to personal data protection (response to CNIL<sup>10</sup> consultations in France), and is a member of several external professional circles (Printemps des DPO<sup>11</sup>, IAPP congress<sup>12</sup> in Brussels, etc.).

5. More information on the update in NFRD 2022 on p.138.  
6. For more information on the alert platform: <https://decathlon.whispli.com/sustainability>.  
7. A report can relate to a number of topics.

8. More information on the Ethics commission on p.13.  
9. For more information on Verisk MapleCroit: <https://www.maplecroit.com/>.  
10. For more information on CNIL: <https://cnil.fr/en>.  
11. For more information on Printemps des DPO: <https://www.printemps-des-dpo.com/>.  
12. For more information on IAPP: <https://iapp.org/>.



# SUPPLY CHAIN

## Maintaining long-term purchasing and production relationships

Decathlon entrusts the production of its components and its sports goods to a global supplier panel that covers a variety of industrial processes (textile, metal, plastic, etc.). The company shares its values and purpose to “move people through the wonders of sport” with suppliers at the start of the relationship by having them sign its Code of conduct<sup>13</sup>, and on a daily basis at production sites through the support of locally established teammates. In this way, Decathlon aims to maintain long-term relationships of trust with its suppliers based on respect, health, safety, team fulfilment, product quality and environmental protection. A complete management system and regular audits underline these contractual relations to ensure each party meets its commitments.

The many different industrial processes used to manufacture the various types of products (textiles, heavy-duty sewing, electronics, metal equipment, etc.) make Decathlon’s supply chain extremely complex, particularly when it comes to controlling quality, quantities and deadlines. This complexity is managed through collaboration and transparency with all the company’s suppliers, and its partners in particular, as well as through responses along the entire supply chain that are adapted to each situation.

To develop its work along its entire value chain, Decathlon is incorporating ESG issues in its indirect purchases, which support the company’s business and its day-to-day operation.

Decathlon’s suppliers are at the heart of its strategy and will play a key role in its industrial transformation, as defined in its 2023-2026 business plan<sup>14</sup>.

### 2023 HIGHLIGHTS

Decathlon established a new supplier risk management process for its direct purchases in order to define a residual net risk score and implement mitigation levers.

With the assistance of Better Buying<sup>TM15</sup>, the company conducted its second Decathlon Supplier Barometer survey to measure its desirability and strengthen the quality of its dialogue with suppliers.

Decathlon continued working to raise its buyers’ and production teams’ awareness of sustainability.

Decathlon launched an external ESG evaluation process for its indirect purchase suppliers.

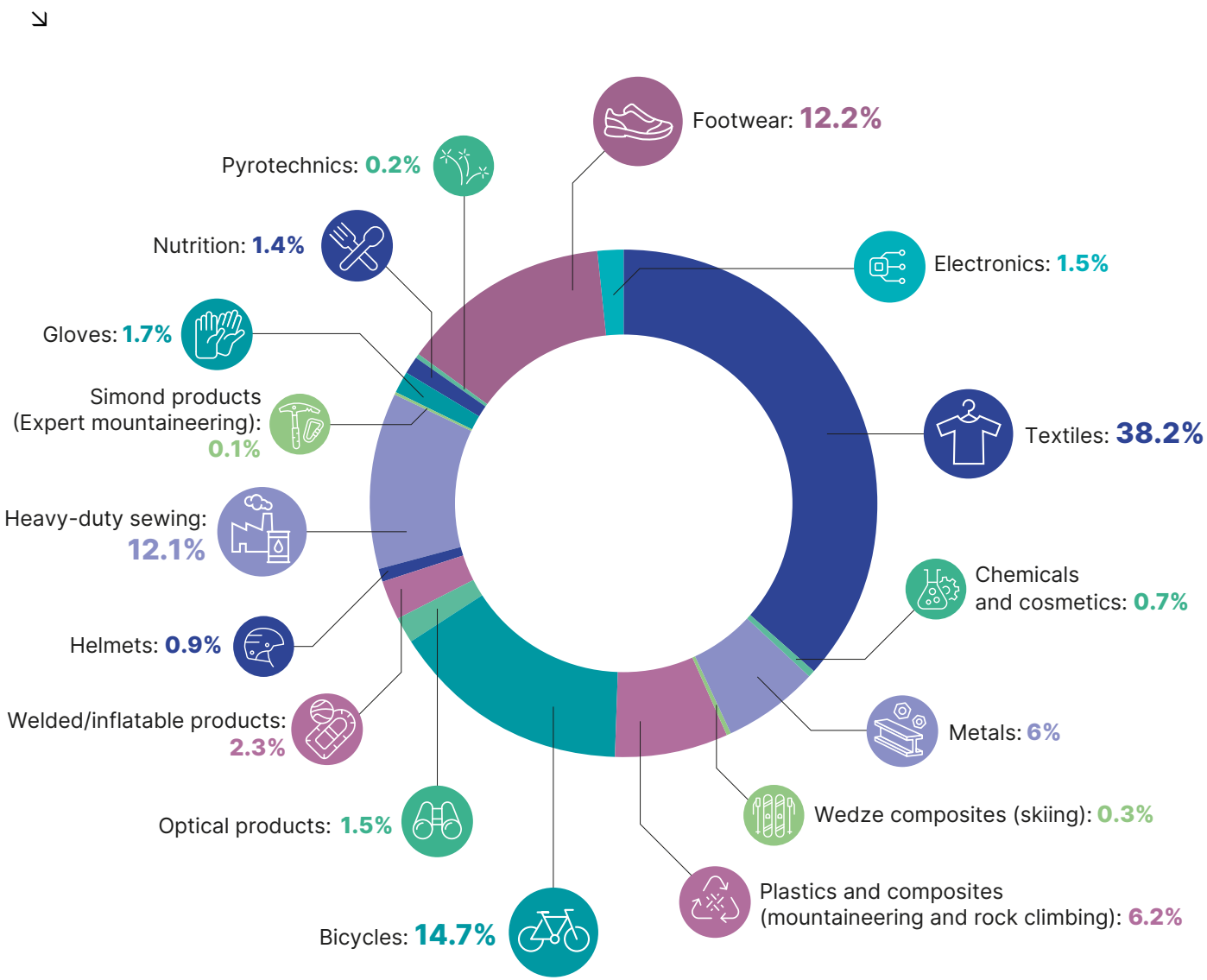
## Developing industrial multi-process solutions

Decathlon offers a wide range of sports items in line with user requirements for 36 brands<sup>18</sup>. These products, designed by the Decathlon teams and suppliers, are manufactured using a number of industrial processes, including those in sectors such as textiles, metallurgy, electronics, footwear, etc.

The products are designed and manufactured in compliance with Decathlon’s specifications and contracts, which include its social and environmental requirements.

### Breakdown of Decathlon’s direct purchase volumes by industrial process

From 01/01/2023 to 31/12/2023



KEY FIGURES as of 31/12/2023

53 partner suppliers

52 in 2022

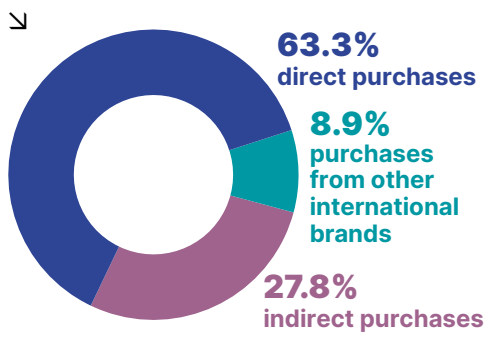
923 Rank 1 suppliers<sup>16</sup>

956 in 2022

341 Rank 2 suppliers<sup>17</sup>

311 in 2022

### Distribution of purchase volumes as of 31/12/2023



13. All Rank 1 suppliers sign the Decathlon Code of conduct. It is available at: <https://sustainability.decathlon.com/legal-documents>.

14. More information on the 2023-2026 business plan on pp.28-29.

15. For more information on Better Buying<sup>TM</sup>: <https://betterbuying.org/>.

16. Suppliers of finished products and components in a direct contractual relationship.

17. Suppliers of our Rank 1 suppliers, not having a contractual relationship with Decathlon.

18. More information on Decathlon’s brand portfolio on p. 32.

Controlling the supply chain

In order to manufacture Decathlon branded products that satisfy the requirements of customers and guarantee their safety, the most thorough possible control of the supply chain is essential. The company therefore develops supplier relationships on several levels:

RANK 1 SUPPLIERS

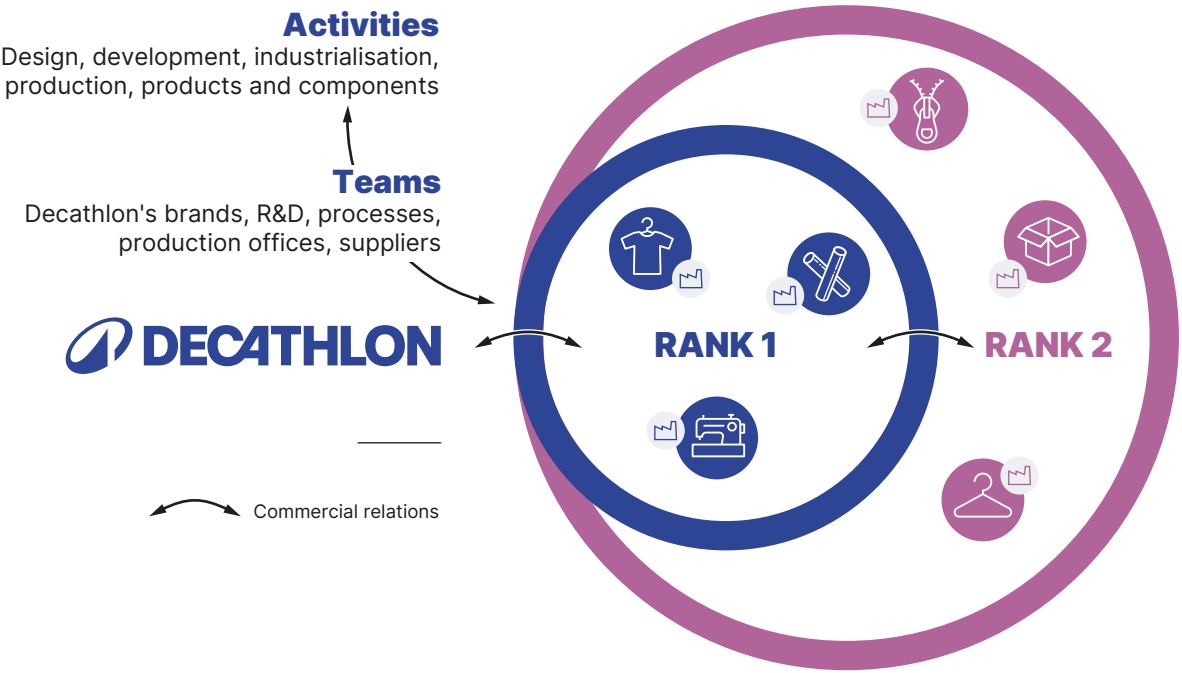
Rank 1 suppliers are bound contractually to a company within the Decathlon group for the production or assembly of finished and semi-finished products (via a manufacturing agreement), or for the supply of raw materials or components (via a purchasing agreement); they receive purchase orders from the aforesaid company, which they invoice directly.

923  
Rank 1 suppliers  
3.5% fewer than in 2022

RANK 2 SUPPLIERS

Rank 2 suppliers contribute to the value chain of Decathlon products. They have a direct commercial relationship with Rank 1 suppliers, with whom they organise and manage the purchase orders and invoicing. The Decathlon group reserves the right to intervene in the selection or approval of these Rank 2 suppliers regarding their differentiated component offering as well as for the quality and safety of finished products, though without interfering in the commercial and legal relationship between Rank 1 and Rank 2 suppliers.

341  
Rank 2 suppliers<sup>19</sup>  
9.6% more than in 2022



FIGHTING UNDECLARED SUBCONTRACTING

It is difficult to detect subcontracting when it is not declared by suppliers. In spite of Decathlon's formal opposition to this practice, which is set out in a contractual clause signed by the suppliers and reinforced with regular on-site visits by Decathlon teams, some suppliers may outsource the manufacture of Decathlon products without its prior consent.

To combat this, **the company trains its teams in precise quantity planning during the product development phases and later during mass production.** If there is any doubt, actual capacity data and the number of products delivered can be cross-checked.

19. Main Rank 2 suppliers selected by Decathlon for their component offering.

Strengthening Decathlon's direct purchasing strategies

MANAGING SUPPLIER RISK

In an increasingly uncertain and volatile world, **Decathlon established a new supplier risk management process in 2023 to better define its purchasing strategies.** Each supplier in the company's panel must now be assessed according to four major risk categories:

- **External risks:** geopolitical or economic crises, climate change, epidemics, cyber attacks
- **Strategic risks:** rising costs, financial risks, supplier integration of sustainability, innovation and obsolescence, quality of the supplier relationship
- **Operational risks:** capacity risks, quality, procurement, workforce availability, skills management and development
- **Sustainable development risks:** regulations, business ethics, human rights, health and safety, environment

The assessment uses 100 questions to assess the suppliers' level of exposure to risks, which is then weighted, taking into account any containment plans and measures put in place, as well as actions already taken by the suppliers to limit risk. **This methodology provides a residual net risk score that is used to define mitigation levers and adapt Decathlon's purchasing strategies accordingly.**

To support this new process, Decathlon has set up a company-wide internal network to reconcile the different competences and establish a better risk profile for suppliers, industrial processes and the Group. **The entire system helps buyers make better informed strategic decisions.**

SUPPLIER SEGMENTATION

**To meet the ambitions of the 2023-2026 business plan,** Decathlon implemented its new supplier segmentation within its IT tools in 2023. This classification aims to strengthen the company's industrial ecosystem by working with the best partners to increase innovation and reduce the environmental impact of its activities.

The classification distinguishes between partner suppliers, strategic suppliers and other suppliers.

**Two distinctions have been available to partner suppliers since 2022:**

- Partners whose main added value is production capacity
- Partners whose main added value is supply and industrial innovation

To better manage supplier data, Decathlon introduced a new tool to manage its database this year. This database covers both direct and indirect purchases, offering better connectivity for all IT systems and improved supplier traceability.

20. For Decathlon's top 100 suppliers in terms of purchase volumes.

Partner suppliers

Decathlon is building an industrial project with all the **partner suppliers that share its vision and values.** These collaborative and transparent projects create reciprocal trust. The mutually demanding partnership relationships are integrated in the company's internal processes, pushing the company and its partners to achieve operational excellence while developing the responsibility and autonomy of everyone involved.

In 2023, Decathlon reaffirmed its partnership strategy by adding four new suppliers having reached sufficient maturity to become partners, bringing the company's total number of partners to 53. **This acceleration in establishing partnerships marks the arrival of a new generation of suppliers combining innovation and technicity** with a more aesthetic and sustainable offer, thereby meeting the challenges of the 2023-2026 business plan.

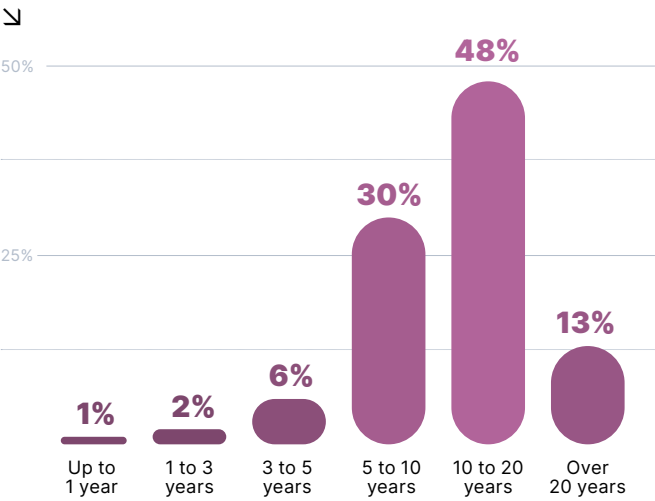
**KEY FIGURE**  
as of 31/12/2023  
**36.4%**  
of Decathlon's total purchases are made with its industrial partners  
35.6% in 2022

Strategic suppliers

Decathlon maintains lasting relationships with all its suppliers based on performance management as well as social and environmental responsibility in the production process. However, the company distinguishes between partner suppliers and strategic suppliers; the latter do not enjoy a partnership relationship because they do not meet all the criteria, but they are essential because they provide **exclusive technology or a significant volume of production.**

Average length of service of suppliers in Decathlon's panel<sup>20</sup>

as of 31/12/2023



LOCAL PRODUCTION

Decathlon is pursuing its local production development strategy **to strengthen the resilience of its supply chain to supply risks** (linked to geopolitical, macroeconomic, environmental, etc. events) **and to be more responsive to market demands and uncertainties**. This strategy also makes it possible to develop the industry as close as possible to catchment areas, thus helping to develop the circular economy. The panel of suppliers and volume allocations are always chosen on the basis of total cost (referred to as eTCO: environmental Total Cost of Ownership). The combination of these two strategies (local production and the eTCO approach) enables Decathlon to form a panel of suppliers that meets the global and local challenges facing the company.

- Made in Mainland China for Retail Mainland China: **95.1%** (95.9% in 2022)
- Made in Europe for Retail Europe: **28.4%** (27.2% in 2022)
- Made in India for Retail India: **55.6%** (48.5% in 2022)
- Made in Africa for Retail Africa: N/A<sup>21</sup>
- Made in Brazil for Retail Brazil: N/A

MANAGING THE NETWORK TO STRENGTHEN THE SUPPLIER RELATIONSHIP

The eighth edition of Decathlon's World Partner & Alliance Forum was held over two days on line. This event brought together 53 partners from 17 countries, future partners of the company, industrial alliances and Decathlon teams.

Close to 700 people attended testimonials by Decathlon executives and presentations of the company's partnership

project based on partner resilience and performance, sustainable development and innovation issues, and traceability.

In addition to this major event, a local event was held in Mainland China on 17 and 18 May 2023, and will be rolled out in other countries in 2024. At these events, local actors discuss their difficulties in similar contexts and share their best practices.

Decathlon Supplier Barometer: Measuring Decathlon's desirability with its suppliers

In 2023 and for the second year in a row, Decathlon launched a survey of its large-scale suppliers with help from Better Buying™, an institute specialised in the study of purchasing practices. Of the 473 suppliers contacted, 335 (68.7%) completed the anonymous survey despite its demanding requirements (send supporting documents, two-hour duration)<sup>22</sup>. The questionnaire addressed seven topics: win-win sustainable partnerships, order scheduling and forecasting, design and development, procurement and ordering, purchasing process management, costs and negotiations, payments and payment deadlines. Once Better Buying™ analysed the results, a number of strengths and areas for improvement could be identified for Decathlon in comparison with the suppliers' observations of other customers' practices, for information only:

- Decathlon's strengths compared to other market players: strong sharing of sustainable development ambitions, strong guidance and presence of Decathlon teams for suppliers, etc.
- Decathlon's areas for improvement compared to other market players: order scheduling and forecasting, precision of technical specifications, length of the development cycle, etc.

With an average score of 66/100 (65/100 in 2022), the survey results remained stable this year despite a larger panel (473 suppliers surveyed compared with 320 in 2022).

This second survey will help Decathlon to continue to strengthen the dialogue with its suppliers and implement action plans for the areas needing improvement.

21. Digital data unavailable for purchases made by Africa for Africa and by Brazil for Brazil.  
22. In 2022, 265 out of 320 suppliers responded. (80.7% participation rate).

Production audits for direct purchases

The company's aim is to maintain long-term relationships with suppliers based on trust. The teams based at Decathlon production offices are responsible for this relationship with suppliers on a daily basis. They check that suppliers are complying with their commitments under the Decathlon Code of conduct, manage suppliers in a logic of continuous improvement and conduct human, environmental and quality audits.

DECATHLON'S AUDIT SYSTEM

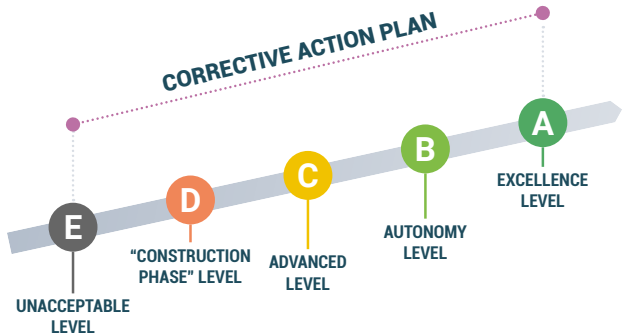
To evaluate suppliers through an auditing process, Decathlon calls on OPM-SD (Operational Process Managers in Sustainable Development), as well as social and environmental auditors from external firms or who are trained internally according to the SA 8000 (social) and ZDHC<sup>23</sup> (chemical substances and environmental management) standards.

When establishing a new partnership with a supplier, the supplier undertakes to comply with Decathlon's Code of conduct and its minimum requirements. Audits are used to ensure the following are applied properly:

- The twelve chapters of fundamental human rights for workers, as well as health and safety conditions
- The five chapters of the environmental audit (environmental risk governance, on-site industrial wastewater treatment, hazardous waste management, air pollution and energy management)
- The four chapters of the quality audit (quality management system, skills management, operational activities, non-conformity management and corrective actions)

Three types of investigation are carried out during audits: visual, documentary and interviews. On the basis of this information, the auditors fill out a grid and obtain a score ranging from A to E:

- A. Excellence level: the risk management system is exemplary and best practices are available
- B. Autonomy level: risks are managed autonomously through a comprehensive management system
- C. Advanced level: short-term risks are controlled through a basic management system
- D. "Construction phase" level: immediate or high risk to employee health, high risk of pollution, unstable quality management system that has not been formally established
- E. Unacceptable level: risk of death or basic human rights are not respected, risk of direct pollution to the environment, legal or security risk that is not under control



23. For more information on ZDHC: <https://www.roadmaptozero.com/> and p.84 of the NFRD.  
24. The 2022 figures have been reprocessed following a change in calculation methodology.

In the event of C, D or E scores, Decathlon requires an action plan be implemented. If this is not done, Decathlon reserves the right to reduce or terminate the commercial activity conducted with the supplier. The deadlines required for implementing remedial actions vary according to the criticality of the risk and the type of supplier. Audit frequency also varies according to the country and the human and environmental risks: the higher the risk, the more frequent the audits.

In 2023, Decathlon worked to revise its compliance framework, which defines the mandatory obligations and rules to follow for human and environmental responsibility, as well as decarbonisation for Decathlon's direct purchasing operations and supplier base. To ensure an ever more stringent implementation of Decathlon's Code of conduct and audit standards, these revisions included:

- a tightening of opening rules for suppliers, including no new openings of suppliers evaluated under C level
- a clear definition of alert management procedures and accountability lines in cases of non-compliance with the rules
- a further detailing of cases eligible for derogations from the rules (e.g. late audit, action plan timeline not respected), including information on extra time granted and responsibilities incurred

This new compliance framework will take effect in 2024.

➔ More information on performance on p.173 for HRP, on p.84 for environmental management, and on p.181 for quality management.

KEY FIGURES as of 31/12/2023  
89% of concerned sites for Rank 1 suppliers were rated A, B or C for human responsibility in production (HRP)  
86.7% in 2022

86.7% of concerned sites for Rank 1 and Rank 2 suppliers were rated A, B or C for environmental management  
83.4% in 2022

78.6% of concerned sites for Rank 1 and Rank 2 suppliers were rated A, B or C for quality management  
63.9% in 2022<sup>24</sup>

## Establishing a skills-based culture to encourage individual autonomy

### TEAMMATE COMPETENCE

#### Production teams

The production teams coordinate supplier relations on a daily basis with regard to sustainable development, quality, supply, continuous improvement, product industrialisation and digital transformation in industry.

With the conviction that competency is an essential component of sustainable performance, Decathlon therefore pursued its aim in 2023 **to involve every employee in their own development** regarding their projects, main challenges and associated responsibilities.

In production at Decathlon, the guarantors of competency are:

- **Production leaders:** They visit factories every week to ensure that cost, quality, time and sustainable development issues are being addressed in seven areas (quality, supply chain, sustainable development, continuous improvement, industrialisation, digital transformation in industry and purchasing)
- **Production managers:** They are the managers of the production leaders. They oversee the smooth running of production in all areas. They are the guarantors of our suppliers' operational management.

Production leaders and managers are assisted by **operational process managers who are Referents in their field of competency**. As experts, they must be autonomous in the various topics and be able to convey their meaning. They are responsible for the competency and Decathlon's strict requirements, and work to integrate compliance in terms of sustainability and quality, etc.

All of these actors must be able to **detect unacceptable human rights and environmental pollution situations**.

These skills are vital for the application of the whole strategy of supplier compliance regarding human and environmental issues. They are mandatory for teammates who visit plants.

Teammates must subsequently learn additional skills. These are just as important, as they expand the teammates' knowledge of fire risks, the principle of continuous improvement and the detection of forced labour.

To reach the maximum level of training and become a Referent on the subject, certification is required from the Skills Leaders. Their role is to develop the network of Referents, ensure the training tools are up to date and available, and ensure an optimal requirement level.

#### Strategic buyers

Since 2018, **strategic buyers must be able to detect an E score** (as defined in the audit grid) **on human and environmental issues** (which implies the immediate suspension of production with the supplier, until the critical issue is resolved).

To further integrate sustainability issues into purchasing, **the company completely rewrote the job descriptions of strategic buyers and purchasing leaders in 2023**.

The positions now require new skills in social and environmental issues, as well as in business ethics and new regulations. They also require that the people in these positions undergo training regularly to learn new methods. Therefore, new training courses were created this year for buyers on the subjects of procurement, risk management and supplier relationship management.

### AUTONOMY FOR PRODUCTION PARTNERS

In 2020, the purchasing teams launched a five-year programme to develop Decathlon partner suppliers' self-assessment skills. By strengthening its teams' skills and deploying digital monitoring and self-assessment tools, **Decathlon has increased its demand for industrial excellence from its partners** in terms of environmental and human issues, as well as in relation to quality, procurement and industrialisation.

Decathlon has set itself the goal of strengthening its partner suppliers' autonomy on all their evaluations, in order to ensure continuous improvement in performance.

### IDENTIFYING CRITICAL SUPPLIERS

Like direct purchases, indirect purchases can be sources of various financial and extra-financial risks for the company and its stakeholders (human rights, health and safety, pollution, climate change, sourcing capacity, etc.).

To manage these risks along its value chain, Decathlon published a new **internal indirect purchasing policy in December 2022, introducing a category of "critical" suppliers**. These suppliers are identified according to four risk qualification criteria:

- Potential impact on Decathlon's activities
- Contribution to the business model
- Volume of business generated<sup>25</sup>
- Potential ESG impacts

A Sustainable Development Manager was appointed for the Indirect Purchasing Department in 2022. He is responsible for using risk mapping to identify suppliers considered "critical" because of their ESG impacts.

**As of 31 December 2023, 165 suppliers representing approximately one-third of indirect purchase volumes had been identified as "critical"**. They are now being monitored as a matter of priority and must be aware of or sign Decathlon's Code of conduct for Business Partners<sup>26</sup> at each new or renewed contract (68% of them have already signed the Code of conduct or submitted a document that is at least equivalent).

## Better incorporating ESG issues in indirect purchases

At Decathlon, **indirect purchasing covers all goods, services and supplies purchased to support the company's global business and ensure its day-to-day operations**. So, they are different from direct purchases that are used to manufacture goods or provide services to customers.

Indirect purchases are structured around fifteen categories:

### EVALUATING ESG PERFORMANCE

To better oversee its panel of indirect purchasing suppliers and limit ESG risks related to their activities, **Decathlon wants its suppliers that have been identified as "critical" to undergo an external evaluation process conducted by EcoVadis<sup>27</sup>**. This evaluation was launched in 2023 and covers both policies and the implementation and monitoring of action plans in four key areas: environment, human rights, business ethics and responsible purchasing.

This year, **61% of "critical" suppliers were assessed. In total, 188 "critical" (100) and "non-critical" (88) suppliers from ten countries<sup>28</sup>** completed the evaluation process on the EcoVadis platform, with **an average score of 58/100**:

- 2% earned an excellent score of between 85 and 100 (an A on Decathlon's audit grid)
- 35% earned an advanced score of between 65 and 84 (a B on Decathlon's audit grid)
- 50% earned an adapted score of between 45 and 64 (a C on Decathlon's audit grid)
- 11% earned a partial score of between 25 and 44 (a D on Decathlon's audit grid)
- 2% earned a failing score of between 0 and 24 (an E on Decathlon's audit grid)

All suppliers scoring below 45 are required to establish action plans in order to reach the minimum standard set by Decathlon (level C) as quickly as possible. Suppliers with a failing score will also be required to undergo an external audit. Then, depending on the audit findings, Decathlon may decide to reduce or cease its business dealings with the supplier.

Decathlon has set the validity period for this evaluation at:

- three years for suppliers scoring between 60 and 100 and that are not located in an at-risk country according to the mapping conducted with Verisk Maplecroft<sup>29</sup>
- one to two years for suppliers scoring between 60 and 100 and that are located in an at-risk country (the period depends on the country's risk level)
- every year for suppliers scoring below 60 out of 100

Decathlon plans to have EcoVadis assess more and more suppliers every year, for a total of 500 suppliers by the end of 2024. To automate the evaluation of suppliers' ESG performance for indirect purchases, Decathlon aims to progressively integrate it as a required clause for contracts having an annual value of more than €100,000

### UPGRADING BUYER SKILLS

To improve supplier management, 100% of teammates responsible for indirect purchasing (48 people) were trained in the new "critical" supplier concept and in using the EcoVadis platform in all ten countries<sup>30</sup> where the evaluation was deployed in 2023. 100% of these teammates also attended two one-hour e-learning sessions devoted to human and environmental fundamentals, and 77% of them attended the Climate Fresk workshop<sup>31</sup>. A new training programme is being developed to help buyers continue to improve their skills on ESG issues.

25. Suppliers with an international purchase volume worth more than €15 million, or exceeding a spending threshold defined by country.  
26. Decathlon's Code of conduct for Partners is available at: <https://sustainability.decathlon.com/legal-documents>.

27. For more information on EcoVadis: <https://ecovadis.com/>.  
28. Brazil, Colombia, France, Germany, India, Italy, Mainland China, Spain, Thailand and Turkey.  
29. For more information on Verisk Maplecroft: <https://www.maplecroft.com/>.  
30. Brazil, Colombia, France, Germany, India, Italy, Mainland China, Spain, Thailand and Turkey.  
31. More information on the Climate Fresk on p.54.



# DIGITISATION

## Bringing about the digital transformation

### 2023 HIGHLIGHTS

The company used the EcoVadis label<sup>32</sup> to determine the ESG maturity level of its IT hardware suppliers.

**1,125 teammates** were made aware of the impact of digital technologies on the environment through two workshops (**Digital Collage**<sup>33</sup> and an online escape game).

The IT for Green team launched the Digital Enhancement Emission Measurement (**DEEM**) initiative<sup>34</sup>, which aims to improve the reliability of Decathlon's global carbon footprint assessment.

The Digital teams created a community of experts to increase the sharing of cybersecurity skills.

Decathlon addresses important societal issues related to the digitisation of its product and service offerings. The challenge of digital transformation has to be addressed in step with the human and environmental transition.

That is why these issues need to be monitored at the same time, since both subjects create both constraints and opportunities. Therefore, more and more applications are being created and related human resources are being hired to handle the increasingly complex data required for calculations that assess and steer environmental impacts. Because the computer resources themselves consume energy, they are also being gradually included in the assessment tables.

Finally, since data processing is at the heart of the company's digitisation, significant efforts are being made to protect data security, both inside and outside the company.

### Measuring progress in sustainable development using digital technology

#### USING DIGITAL TECHNOLOGY TO ACTIVELY CONTRIBUTE TO THE COMPANY'S CLIMATE STRATEGY

In 2021, the Decathlon Technology team launched its Green Technology project, based on two interconnected bodies: IT for Green and Green (for) IT:

- **IT for Green aims to use digital technologies to reduce the impact of the company's entire value chain**
- **Green (for) IT is working to transform the IT department into a model with less environmental impact** by limiting and reducing the direct impacts of technology on the environment

In 2023, to pursue its objectives of reducing the impact of digital technology on the environment, Decathlon began **work to determine the ESG maturity level of its IT hardware suppliers** through an EcoVadis self-assessment. This will serve as a basis to **establish ambitious standards** for suppliers and contribute to reducing the environmental footprint of digital technologies on the company's value chain.

#### DEVELOPING DIGITAL RESOURCES DEDICATED TO MEASURING AND REDUCING ENVIRONMENTAL IMPACT

In 2023, the IT for Green team was structured to launch the Digital Enhancement Emission Measurement (**DEEM**) initiative. This project uses various tools developed specifically to meet Decathlon's needs to standardise reporting methods within the Group, making it possible to calculate its global carbon impact, from production to the end of product life.

To calculate Decathlon's global digital impact on the environment more accurately, the Green for IT teams developed an internal dashboard in 2023 to refine data analysis and better visualise the sources of digital emissions. This dashboard replaces WeNR<sup>35</sup> and is **an integral part of the DEEM initiative** thanks to a methodology aligned with environmental reporting for the entire company.

#### RAISING AWARENESS OF THE DIRECT ENVIRONMENTAL IMPACT OF USING DIGITAL TECHNOLOGIES

To raise teammate awareness of the impact of digital technologies on the environment, Decathlon held a week dedicated to sustainable development in digital technologies. The company aims to democratise the inclusion of environmental criteria at all levels of IT professions: from hiring to the concrete use of tools.

**Continuing from 2022, the digital teams attended the Digital Collage and participated in an escape game to learn about the environmental impact of digital technologies.** The target of educating 1,000 people in 2023 was exceeded by the end of the year. A new catalogue of training courses dedicated to eco-digital development was also created. It meets both the teams' growing interest in this topic and the goal of integrating sustainable development into considerations when creating new digital tools. As of 31 December 2023, 38 teammates had chosen to train in this topic. In total, over 3,000 employees were reached by all the awareness actions conducted by the company on the environmental impact of digital technologies.

### Beefing up cyber security in the company

The growing complexity of new technologies, development of remote computing in the cloud and growing cyber security risks all lead to a significant increase in incidents involving information systems (including cyber security incidents), both generally and globally. Regulatory changes concerning digital technologies require a clear strategy and related action plans to protect both the company and its stakeholders.

Decathlon is working to raise employee awareness of the risks of cyberattacks and how to protect the company. The company offers continuous digital technology training to teammates.

#### RAISING EMPLOYEE AWARENESS OF DIGITAL SECURITY

To continue moving ahead on IT security awareness and to reach its **goal of training 100% of teammates in cybersecurity by 2025**, Decathlon launched a **new online training course** dedicated to the subject in the third quarter of 2023. This is in addition to mandatory training in place since 2022 for new hires. As of 31 December 2023, 36.4% of teammates had completed this programme, which is available in all the languages of the countries in which the company is present.

To strengthen its position against the threat of cyber attacks, Decathlon has also created a community of cybersecurity experts within its development teams, called **Dev Secops**. It is composed of in-house developers who dedicate time to researching the subject to share knowledge among experts. As of 31 December 2023, Dev SecOps had 39 members who were cybersecurity referents for all digital teammates.

In October 2023, **the company held "Cybersecurity Month" for the third consecutive year** to help all employees understand the risks. This event also featured the first edition of **"Digital Week"**, during which cybersecurity was discussed with digital teammates wanting to learn about the subject. A total of **2,327 people attended this new training format**.

#### PROTECTING INFORMATION SYSTEMS AGAINST CYBER ATTACKS

As digital technologies accelerate, Decathlon is directly concerned by the complexity and specificities of cybersecurity. Cyber attacks are becoming increasingly sophisticated and complex to prevent and control, making it difficult to anticipate the consequences of a potential security breach.

The impacts can be significant and directly threaten business continuity. The many third parties Decathlon deals with, including suppliers and service providers, add to the company's cyber security risks related to outsourcing, since a contractor whose security measures are not compliant could represent an entry point into the company's information system. Decathlon had 100 teammates responsible for monitoring Group cybersecurity in 2023.

To beef up its cybersecurity systems, **Decathlon set up its first Security Operation Centre<sup>36</sup> (SOC) accessible 24/7 in 2022**. It aims to monitor security alerts anywhere in the world and for every activity continuously. The SOC uses digital tracking to establish risk profiles so that it can detect any variation from the initial state in the event of a security breach, and correct the slightest error. In 2023, the teams responsible for developing the tool continued fine tuning it to improve reliability and protect Decathlon from potential security breaches.

Decathlon continued working with ethical hackers in 2023 to remain on the alert for cybersecurity risks. They play an essential role in continuously monitoring and guaranteeing customer security by detecting potential flaws in the company's digital tools.

KEY FIGURES as of 31/12/2023

**12.4%**  
of e-commerce sales

12.4% in 2022

**100%**  
of country leaders  
have signed Decathlon's  
Information Security Policy

32. For more information on EcoVadis: <https://ecovadis.com/>.

33. For more information on the Digital Collage: <https://digitalcollage.org/>.

34. Using digital technologies to improve the reliability of the measurement of the environmental footprint.

35. For more information on WeNR: <https://wenr.isit-europe.org/>.

36. The Security Operation Center is the company's security unit protecting its information system.

# PERFORMANCE INDICATORS

| ETHICS AND COMPLIANCE                                                                                          | 2022 | 2023            |
|----------------------------------------------------------------------------------------------------------------|------|-----------------|
| % of teammates with access to the alert platform which allows them to report questions or alerts (as of 31/12) | 100% | 100% (note 125) |
| Number of alerts received in the platform (from 01/01 to 31/12)                                                | 156  | 287 (note 126)  |
|                                                                                                                |      |                 |
| Types of alerts received in the platform (%) (as of 31/12):                                                    |      | (note 126)      |
| → Alerts processed                                                                                             | 48%  | 70%             |
| → Alerts being processed                                                                                       | 52%  | 30%             |
|                                                                                                                |      |                 |
| Topics of alerts received in the platform (in number) (from 01/01 to 31/12):                                   |      | (note 126)      |
| → Psychological harassment                                                                                     | n/a  | 68              |
| → Sexual harassment                                                                                            | n/a  | 24              |
| → Employment contract                                                                                          | n/a  | 42              |
| → Safety                                                                                                       | n/a  | 15              |
| → Personal data                                                                                                | n/a  | 2               |
| → Discrimination                                                                                               | n/a  | 35              |
| → Conflicts of interest                                                                                        | n/a  | 15              |
| → Gifts & Invitations                                                                                          | n/a  | 1               |
| → Corruption                                                                                                   | n/a  | 8               |
| → Fraud                                                                                                        | n/a  | 14              |
| → Environment                                                                                                  | n/a  | 1               |
| → Human rights violations                                                                                      | n/a  | 19              |
| → Other                                                                                                        | n/a  | 83              |

**NFRD 2023 methodological notes**

**Note 125:** The internal alert platform has been implemented in all countries where Decathlon has its own sites. Today, all countries have an Ethics & Compliance Referent. By default, if there is no designated referent, the country leader handles ethical compliance directly.

**Note 126:** The alerts indicator is purely indicative and quantitative. These are alerts where the seriousness of the problem can only be determined after investigation. Their status (in progress or processed, as of 31 December 2023) depends on many variables, such as the subject reported, the date of submission of the alert and, of course, the complexity of the investigations to be conducted. As each alert is different, it is not possible to estimate the effectiveness of the handling of alerts by comparing the number of alerts handled with the number of alerts received. The aim is therefore to ensure that all alerts are properly handled, within a timeframe that varies according to their complexity, so that no alert is ignored by the case managers.

As of 31 December 2023, 30% of alerts were being processed. This figure includes alerts filed at the end of 2023, as well as those requiring complex investigations and further processing.

The "Other" category allows users who wish to discuss a subject other than those listed above (theft, for example) to submit their report and discuss it with a case manager.

It should be noted that the data concerning the topics of alerts received are no longer given as a percentage, but now in numbers. As an alert may concern several subjects, the total sum of alerts broken down by topic may not be equal to 100%. The 2022 and 2023 data are therefore not comparable.

In addition, the topics have been reorganised to reflect the appearance of new alert categories ("Environment" and "Human Rights Violations") and to bring them into line with the Vigilance Plan.

| SUPPLY CHAIN                                                                                                     | 2022       | 2023          |
|------------------------------------------------------------------------------------------------------------------|------------|---------------|
| INDUSTRIAL PURCHASING - SUPPLIER PANEL                                                                           |            |               |
| Number of production countries/regions (as of 31/12):                                                            |            |               |
| → With Decathlon teams physically present                                                                        | 23         | 23 (note 127) |
| → Without Decathlon teams physically present                                                                     | 20         | 22 (note 128) |
| Number of production offices (as of 31/12)                                                                       | 42         | 42 (note 129) |
| Number of teammates responsible for managing and coordinating relations with suppliers (as of 31/12)             | 2,429      | 2,245         |
| Number of suppliers for Decathlon products (as of 31/12):                                                        |            | (note 130)    |
| → Number of Rank 1 suppliers (finished products & components)                                                    | 956        | 923           |
| → Number of Rank 2 suppliers                                                                                     | 311        | 341           |
| Number of Decathlon-owned production sites (as of 31/12)                                                         | 9          | 9 (note 131)  |
| INDUSTRIAL PURCHASING - TYPE & DURATION OF THE RELATIONSHIP                                                      |            |               |
| Number of "partner" suppliers (as of 31/12)                                                                      | 52         | 53 (note 132) |
| Average seniority of suppliers (top 100 suppliers in terms of purchase volumes made by Decathlon) (as of 31/12): |            |               |
| → < 1 year                                                                                                       | 1%         | 1%            |
| → from 1 to 3 years                                                                                              | 1%         | 2%            |
| → from 3 to 5 years                                                                                              | 9%         | 6%            |
| → from 5 to 10 years                                                                                             | 26%        | 30%           |
| → from 10 to 20 years                                                                                            | 50%        | 48%           |
| → > 20 years                                                                                                     | 13%        | 13%           |
| → Average                                                                                                        | 11.1 years | 12.3 years    |

**NFRD 2023 methodological notes**

**Note 127:** Production countries/regions with a team: a Decathlon production office is present in the country/region. Albania, Bangladesh, Brazil, Egypt, Ethiopia, France, India, Indonesia, Italy, Mainland China, Malaysia, Mexico, Morocco, Pakistan, Poland, Portugal, Romania, Sri Lanka, Taiwan, Thailand, Tunisia, Turkey, Vietnam.

**Note 128:** Production countries/regions production without a team: production countries/regions with suppliers managed by Decathlon teams from another country/region, no Decathlon office in that country: Algeria, Belgium, Bosnia-Herzegovina, Bulgaria, Cambodia, Canada, the Czech Republic, Estonia, Finland, Germany, Hungary, Japan, Lithuania, Madagascar, the Netherlands, Slovakia, Slovenia, South Korea, Spain, Switzerland, Ukraine, the United Kingdom.

**Note 129:** List of Decathlon production offices:

DP Albania, DP Bangladesh (x2: DP Dhaka, DP Chittagong), DP Brazil, DP Mainland China (x10: DP Guangzhou, DP Nanjing, DP Ningbo, DP Qingdao, DP Shanghai, DP Shenzhen, DP Suzhou, DP Tianjin, DP Wuhan, DP Xiamen), DP Egypt, DP Ethiopia, DP France, DP India (x7: DP Chennai, DP Coimbatore, DP Mysuru, DP Surat, DP Kanpur, DP Delhi, DP Ludhiana), DP Indonesia, DP Italy (x2: DP Desio, DP Padova), DP Malaysia, DP Mexico, DP Morocco, DP Pakistan, DP Poland, DP Portugal, DP Romania, DP Sri Lanka, DP Taiwan, DP Thailand, DP Tunisia, DP Turkey, DP Vietnam (x2: DP Ho Chi Minh, DP Hanoi).

**Note 130:** Rank 1 suppliers are: suppliers contractually bound to a Decathlon company for the production or assembly of finished/semi-finished products (via a manufacturing contract) or for the supply of raw materials or components (via a purchase contract), receiving purchase orders and invoicing said company directly.

Rank 2 suppliers are: suppliers contributing to the value chain of Decathlon products, in direct commercial relationship with a Rank 1 supplier, with which it organises the management of purchase orders and invoicing. Decathlon reserves the right to intervene in the choice or validation of this Rank 2 supplier, without however intervening in the commercial and legal relationship between these Rank 1 and Rank 2 suppliers.

**Note 131:** Decathlon owns 9 production sites: 3 sites in France (AML, ACL, Simond), 1 production site in Morocco (DFM), 1 production site in Thailand (NTF) and 4 production sites in Mainland China (Nanjing factory, TEC, CMW, Xinwei).

**Note 132:** Decathlon has terminated 3 partnerships but continues to strengthen its Industrial Partnership strategy by validating 4 new partners, bringing the total to 53 at the end of 2023. These partners account for 36.4% of the company's worldwide purchasing volumes.

| SUPPLY CHAIN                                                                                   | 2022   | 2023             |
|------------------------------------------------------------------------------------------------|--------|------------------|
| INDUSTRIAL PURCHASING - BREAKDOWN OF PURCHASE VOLUMES                                          |        |                  |
| Breakdown of Decathlon's purchase volumes by production area (from 01/01 to 31/12):            |        | (note 133)       |
| → North Asia                                                                                   | 43.06% | 40.83%           |
| → Europe                                                                                       | 21.85% | 22.90%           |
| → South East Asia                                                                              | 14.44% | 14.38%           |
| → South West Asia                                                                              | 17.94% | 18.14%           |
| → Africa                                                                                       | 2.56%  | 3.65%            |
| → Americas                                                                                     | 0.04%  | 0.08%            |
| → CIS (Commonwealth of Independent States)                                                     | 0.12%  | 0.00%            |
| % of the amount of purchases generated by Decathlon's partner suppliers (from 01/01 to 31/12)  | 35.6%  | 36.4% (note 132) |
| Breakdown of Decathlon's purchase volumes by production process (from 01/01 to 31/12):         |        |                  |
| → Nutrition products (food & sports nutrition)                                                 | 1.14%  | 1.42% (note 133) |
| → Chemical & cosmetic products                                                                 | 0.50%  | 0.66%            |
| → Electronic products                                                                          | 1.50%  | 1.50%            |
| → Footwear products                                                                            | 13.41% | 12.18%           |
| → Glove products                                                                               | 1.38%  | 1.67%            |
| → Heavy-duty sewing products (tents, backpacks, sleeping bags, balls, etc.)                    | 11.24% | 12.12%           |
| → Pyrotechnic products (Solognac hunting equipment)                                            | 0.23%  | 0.23%            |
| → Welded/inflatable products (mattresses, rings, armbands, etc.)                               | 2.52%  | 2.32%            |
| → Helmet products                                                                              | 1.08%  | 0.88%            |
| → Optical products (sunglasses, swimming goggles, ski masks, diving masks)                     | 1.41%  | 1.54%            |
| → Bikes/cycling products                                                                       | 15.49% | 14.74%           |
| → Plastic and composite products                                                               | 7.06%  | 6.23%            |
| → Wedge composite products (ski equipment)                                                     | 0.29%  | 0.26%            |
| → Metal/metallic products (scooters, fitness products, basketball hoops, football goals, etc.) | 6.00%  | 5.97%            |
| → Simond products (climbing equipment)                                                         | 0.10%  | 0.09%            |
| → Textile products (natural fibres, synthetic fibres, woven fabrics, yarn)                     | 36.65% | 38.19%           |
| % of sales generated by locally manufactured Decathlon products (from 01/01 to 31/12):         |        |                  |
| → Mainland China                                                                               | 95.9%  | 95.1%            |
| → Europe                                                                                       | 27.2%  | 28.4%            |
| → India                                                                                        | 48.5%  | 55.6%            |
| → Brazil                                                                                       | n/a    | n/a (note 134)   |
| → Africa                                                                                       | n/a    | n/a (note 134)   |

NFRD 2023 methodological notes

**Note 133:** Decathlon currently has 35 industrial process teams. The data has been grouped by major industrial sector (textiles, footwear, heavy clothing, etc.).

**Note 134:** Decathlon continues to accelerate its local-to-local sourcing strategy in Mainland China and Europe. Note that purchases made by Brazil in Brazil and by Africa in Africa do not show up in the IT systems of the purchasing teams.

| SUPPLY CHAIN                                                                            | 2022 | 2023                    |
|-----------------------------------------------------------------------------------------|------|-------------------------|
| INDIRECT PURCHASING                                                                     |      |                         |
| Number of relevant indirect purchasing suppliers who have carried out an ESG assessment | n/a  | 100 (61%)<br>(note 135) |
| Average ESG rating of indirect purchasing suppliers                                     | n/a  | 58<br>(note 136)        |
| Number of indirect buyers trained in human and environmental issues                     | n/a  | 48 (100%)<br>(note 137) |

NFRD 2023 methodological notes

These indicators are reported for the first time in the NFRD, hence the absence of data for 2022.

At Decathlon, indirect purchasing covers all the goods, services and supplies purchased to support the company's global business and ensure its day-to-day operation.

**Note 135:** In 2023, 61% of "critical" suppliers (100 out of 165) had carried out an ESG assessment via the EcoVadis platform. "Critical" suppliers are those:

- that are likely to have an impact on Decathlon's business
- or that contribute to Decathlon's business model
- or that have a significant volume of business with Decathlon (more than €15 million internationally, or a spending threshold defined locally in the country)
- or that present human or environmental risks that could expose the company

Decathlon wants its "critical" suppliers to undergo an external evaluation process conducted by EcoVadis. Note that new indirect purchasing suppliers, not identified at the end of 2023 but who will be identified by the countries involved in the process, will be included in the identification and qualification of so-called "critical" suppliers. With this in mind, Decathlon is continuing to encourage its suppliers to carry out ESG assessments on the EcoVadis platform, and will gradually incorporate clauses into contracts to make this compulsory for contracts worth more than €100,000 per year.

**Note 136:** As of 31/12/2023, an average score of 58/100 was awarded to the indirect purchasing suppliers concerned who had carried out an ESG assessment. 188 of them (including 100 "critical" suppliers) were assessed on the EcoVadis platform:

- 50% obtained an appropriate score (between 45 and 64)
- 37% obtained an advanced or excellent score (between 65 and 100)

Suppliers with a score below 45 (insufficient or partial score) will be required to implement an action plan to achieve an appropriate score as quickly as possible. Decathlon aims to have a total of 500 indirect purchasing suppliers assessed in 2024.

**Note 137:** The scope of this indicator for 2023 is based on 10 countries: Brazil, Colombia, France, Germany, India, Italy, Mainland China, Spain, Thailand, Turkey.

In these 10 countries, 100% of indirect buyers (i.e. 48 buyers) have been trained in human and environmental issues. However, it should be noted that not all indirect international buyers (a total of 57 as of 31/12/2023) have yet been trained in these issues. By the end of 2026, Decathlon aims to involve all indirect buyers in this training.

## INTEGRATING HUMAN, ENVIRONMENTAL AND FINANCIAL PERFORMANCE INTO OUR VALUE MEASUREMENT

### MEASURING VALUE

|                                                                                                             |     |                 |
|-------------------------------------------------------------------------------------------------------------|-----|-----------------|
| Weight in % of significant climate actions included in Decathlon's monthly performance report (as of 31/12) | 71% | 100% (note 138) |
|-------------------------------------------------------------------------------------------------------------|-----|-----------------|

NFRD 2023 methodological notes

**Note 138:** In 2023, the following performance indicators were included in Decathlon's monthly internal reporting at group level: the percentage of ecodesign product sales, the percentage of circular sales; the percentage of electricity from renewable sources at suppliers; the percentage of reduction in the use of coal by Rank 1 suppliers; and the percentage of sales generated online.

The percentage of reduction in the use of coal and the percentage of renewable electricity in production have been added in relation to 2022.

With the exception of the proportion of raw materials that are more sustainable for the environment, the indicators cover all the significant levers for covering compliance with Decathlon's climate commitments. Note that although raw materials are not included in Decathlon's internal monthly reporting, they are indirectly covered by the indicator showing the percentage of sales generated by products benefitting from an ecodesign approach. It is planned to integrate them in 2024.

# EXTERNAL STAKEHOLDERS

## INSTITUTIONAL RELATIONS

|                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    | Involvement in the Environment and Quality committees of the Federation of Commerce and Distribution, which works to promote Sustainable Development (whose main work is to support donations and apply the Circular Economy Law). For more information: <a href="https://www.fcd.fr/qui-sommes-nous/actualites-de-la-fcd/detail/decouvrez-la-video-de-presenta-tion-de-la-fcd/">https://www.fcd.fr/qui-sommes-nous/actualites-de-la-fcd/detail/decouvrez-la-video-de-presenta-tion-de-la-fcd/</a> .                                             |
|    | Involvement in the Environment committee since 2014 (including work on updating the Code of conduct, an event linking CSR and sport, and the functional organisation of Extended Producer Responsibility for Sports and Leisure goods). For more information: <a href="https://www.unionsportcycle.com">https://www.unionsportcycle.com</a> .                                                                                                                                                                                                    |
|    | Since 2015, Decathlon has complied with the work of the WFSGI CSR committee (sharing intelligence information, CSR practice benchmarking, participation in webinars, etc.). For more information: <a href="https://wfsgi.org/">https://wfsgi.org/</a> .                                                                                                                                                                                                                                                                                          |
|    | Member of the EuroCommerce committees for monitoring and anticipating future strategic and legislative developments of the European Union regarding the environment and trade. For more information: <a href="https://www.eurocommerce.eu/">https://www.eurocommerce.eu/</a> .                                                                                                                                                                                                                                                                   |
|   | Decathlon is a member of the Observatoire sur la Responsabilité Sociétale des Entreprises (Observatory on Corporate Social Responsibility), a multi-stakeholder organisation which carries out permanent monitoring in France, Europe and internationally, and which supports companies in their CSR strategy. Decathlon joined its board of directors in June 2019. For more information: <a href="https://www.orse.org/">https://www.orse.org/</a> .                                                                                           |
|  | The Institute of Public & Environmental Affairs (IPE) is a non-profit environmental research organisation based in Beijing, Mainland China. Since its creation in June 2006, IPE has dedicated itself to collecting, collating and analysing government and corporate environmental information to build a database of this environmental information. Decathlon has incorporated this platform into its supply chain management system in Mainland China. For more information: <a href="https://www.ipe.org.cn/">https://www.ipe.org.cn/</a> . |

## ENVIRONMENTAL IMPACT MANAGEMENT

|                                                                                     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
|-------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | RE100 is a global initiative created by The Climate Group and launched at the UN Climate Summit in New York in 2014. This initiative aims to engage, support and promote companies that have committed to using 100% renewable energy (including biomass, geothermal, solar, wind and tidal energy). For more information: <a href="https://www.there100.org/re100-members">https://www.there100.org/re100-members</a> .                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|  | The Science Based Target initiative (SBTi) is an international organisation that enables companies to set ambitious greenhouse gas emission reduction targets based on the latest scientific climate data. It aims to encourage companies worldwide to accelerate their transition towards a low-carbon economy. This initiative was formed through a collaboration between the CDP, United Nations Global Compact, World Resources Institute (WRI), World Wide Fund for Nature (WWF) and partners from the 'We Mean Business Coalition'. The SBTi identifies and highlights good practices for setting out steps to reduce CO <sub>2</sub> , provides the means to achieve this goal, and scientifically and independently approves trajectories put forward by companies. For more information: <a href="https://sciencebasedtargets.org/">https://sciencebasedtargets.org/</a> . Press release: <a href="https://bit.ly/DecathlonSBTi2021">https://bit.ly/DecathlonSBTi2021</a> . |
|  | The ACT initiative - Accelerate Climate Transition® was created by ADEME (the French Agency for Ecological Transition) and the CDP to assess corporate climate strategies. Under the UNFCCC action agenda, the initiative provides methods to assess whether a company's strategy aligns with an appropriate low-carbon trajectory given the company's activities in its particular industry. Based on verifiable corporate data, around 20 indicators allow for a holistic approach to be taken when assessing the company's strategy. For more information: <a href="https://actinitiative.org/">https://actinitiative.org/</a> .                                                                                                                                                                                                                                                                                                                                                  |

## ENVIRONMENTAL IMPACT MANAGEMENT

|                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                           |
|---------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|    | The Carbon Disclosure Project (CDP) is an organisation that has set up a public reporting system for monitoring the environmental impacts of investors, companies, cities and regions. An assessment questionnaire is sent out each year on the following issues: climate change, water and forests. Decathlon has been asked to participate on the issues of "climate change" and "forests" since 2019. For more information: <a href="https://www.cdp.net/en">https://www.cdp.net/en</a> .                                                                                                                                                                                                                                                                                                                                                              |
|    | The Net Zero Initiative project, launched in June 2018 and led by the consultancy firm Carbone 4, in collaboration with a dozen pioneering companies and supported by a scientific council, has published its reference standards for contributions by organisations to carbon neutrality. This document proposes a common language for all companies wishing to steer their climate action in a sincere, ambitious and transparent direction towards achieving global net zero emissions, and in line with existing instruments and methodologies. Decathlon has been a partner of the initiative since 2020, with the aim of adopting a method that will enable it to define and achieve Net Zero in view of the climate emergency. For more information: <a href="https://www.net-zero-initiative.com/en">https://www.net-zero-initiative.com/en</a> . |
|    | Initiated by the United Nations Framework Convention on Climate Change in 2018, the Fashion Industry Charter for Climate Action brings together a growing number of the biggest players in the fashion and textile industry. Signatories of the charter undertake to define a CO <sub>2</sub> emission reduction target and to work together in order to move the entire supply chain towards fulfilling the targets set by the Paris Agreement. For more information: <a href="https://unfccc.int">unfccc.int</a> .                                                                                                                                                                                                                                                                                                                                      |
|    | The Climate Dividends Association is a non-profit organisation dedicated to accelerating the funding of the ecological transition. The association has come up with a protocol to calculate avoided and/or removed emissions, giving rise to Climate Dividends. This new metric helps to steer investments towards solutions that contribute to carbon neutrality. For more information: <a href="https://www.climate-dividends.com/">https://www.climate-dividends.com/</a> .                                                                                                                                                                                                                                                                                                                                                                            |
|   | "Committed Companies to Nature - act4nature France" is an initiative led by the <i>Office Français de la Biodiversité</i> [French Office for Biodiversity (OFB)] that aims to encourage companies to take action on biodiversity using a continuous improvement approach. Decathlon signed its commitment in February 2020 and has joined this network that aims to exchange best practices, push companies forward and improve ambitions on this matter. For more information: <a href="https://engagespouirlanature.ofb.fr/entreprises">https://engagespouirlanature.ofb.fr/entreprises</a> .                                                                                                                                                                                                                                                           |
|  | Decathlon has joined the B4B+ club run by CDC Biodiversité, a subsidiary of <i>Caisse des Dépôts et Consignations</i> (French Loans and Consignments Fund). The aim of this subsidiary is to develop tools to assess financial portfolios and identify their impact on biodiversity. Decathlon has been trained by CDC Biodiversité and uses their GBS (Global Biodiversity Score) tool to identify which of the company's activities are under the most pressure and thus prioritise its actions. CDC Biodiversité also supports Decathlon in the critical review of its biodiversity study. For more information: <a href="https://www.cdc-biodiversite.fr/">https://www.cdc-biodiversite.fr/</a> .                                                                                                                                                     |

## RESPONSIBILITY IN PRODUCTION

|                                                                                       |                                                                                                                                                                                                                                                                                                                                                                                         |
|---------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  | Technical support to assess the human responsibility in production and the environmental management of Decathlon's suppliers: carrying out assessments, tests and wastewater sampling. For more information: <a href="https://www.sgs.com/">https://www.sgs.com/</a> .                                                                                                                  |
|  | Technical support to assess the human responsibility in production and the environmental management of Decathlon's suppliers: carrying out assessments, tests and wastewater sampling. For more information: <a href="https://group.bureauveritas.com/">https://group.bureauveritas.com/</a> .                                                                                          |
|  | The Mekong Club is an NGO catalyst for change, inspiring and engaging the private sector to lead the fight against modern slavery. For more information: <a href="https://themekongclub.org/">https://themekongclub.org/</a> .                                                                                                                                                          |
|  | Diginex Apprise is a tool for detecting vulnerable populations and is able to identify situations of forced labour. In 2023, it was tested by Decathlon in three Asian countries with 18 suppliers, to identify potential signs of forced or bonded labour among migrant workers. For more information: <a href="https://www.diginex.com/apprise">https://www.diginex.com/apprise</a> . |
|  | Impactt is an NGO that specialises in improving working conditions and increasing productivity in global supply chains. Its approach benefits brands, production sites and employees alike. For more information: <a href="https://impacttlimited.com/">https://impacttlimited.com/</a> .                                                                                               |

RESPONSIBILITY IN PRODUCTION



Decathlon began collaborating with the private organisation AII (Apparel Impact Institute) in 2020, to launch the “Clean by Design” project. This international initiative encourages clothing retailers and fashion chains to take responsibility for the environmental impact of their overseas factories by focusing on the dyeing and finishing processes. For more information: <https://apparelimpact.org/>.



The World Resources Institute (WRI) is a global research organisation with over 1,000 experts who turn innovative ideas into action at the interface between the environment, the economy and human well-being. Decathlon and the WRI share the same goal and vision for both people and the planet. With Decathlon's strong position in the sports industry and the WRI's expertise, this partnership will not only benefit Decathlon, but will also support the transformation of the sports equipment industry. For example, the WRI has assisted Decathlon and its business partners with regard to a renewable power purchase agreement. For more information: <https://www.wri.org/>.



WildAid inspires change and empowers the world to protect wildlife and vital habitats from critical threats including illegal wildlife trafficking, climate change, and illegal fishing. Decathlon collaborates with Wildaid in two areas: protecting oceans and raising awareness of climate change in Mainland China. Wildaid is Decathlon's NGO partner in the water clean-up initiative. For more information: <https://wildaid.org/>.



Labor Solutions, a social enterprise founded in 2013, uses technology to facilitate the engagement of low-income workers by providing tools to contribute to their well-being. For more information: <https://www.laborsolutions.tech/wovo>.



Kno Global, a social enterprise, provides a transparent, real-time data platform. The KNO approach starts by building a community of factory employees in the field. The approach relies on technology and mobile data to measure employee involvement and well-being. The KNO app enables anonymous, two-way communication between management and the people working on the production floor. KNO then co-creates solutions with factories to address the issues raised by employees. For more information: <https://www.knoglobal.com/>.



Founded in 2013, Ulula is a B-Corp Worker Voice Technology-certified company, awarded the title ‘Best For the World’ in recognition of the positive impact it has on customers. It gathers workers’ opinions on labour issues such as recruitment practices, sexual harassment and wellness at work through surveys issued directly to the workers, an advanced grievance management platform and dashboards. It offers accessible channels that enable employees and farm workers to use SMS, Whatsapp, WeChat, QR codes and phone lines. Ulula works with big names in sports clothing such as NIKE, Under Armour, Adidas, VF Corp, etc. For more information: <https://ulula.com/>.



Sustainable Textile Solutions, a member of BluWin, provides tailor-made consultancy, auditing and training programmes on the chemical safety of textiles. The aim is to help brands, retailers and industry partners to understand, communicate, monitor and improve the effectiveness of their strategies in order to produce textiles that are more environmentally friendly and better for health and safety. For more information: <https://bluwinnet/>.



The Zero Discharge of Hazardous Chemicals (ZDHC) foundation aims to steer the textile and footwear industry towards the use of safer chemical products for a cleaner planet and brighter future. For more information: <https://www.roadmaptozero.com/>. Press release: <https://www.roadmaptozero.com/post/contributor-announcement-jan-2022>.



In order to promote the use of more sustainable products in the chemical industry, GoBlu International Ltd (accelerator for sustainable development solutions) has developed “BHive®”, an innovative tool to digitalise the chemical management process and create greater transparency in the supply chain. The BHive app is one of the tools approved by ZDHC to create an inventory of chemical products in factories. For more information: <https://www.thebhive.net/>.

ECODESIGN



Decathlon responded to the XTEX call for projects launched by ADEME to come up with a methodology and textile ecolabel, in collaboration with the Labelling and YUKAN consortiums. Decathlon also took part in the cross-functional group for the creation of a sustainability index for electronic products as per the French Anti-Waste and Circular Economy law, as well as in drafting a framework agreement with ADEME for the implementation of a sustainability and reparability index for textile and footwear products. For more information: <https://www.ademe.fr/en/>. For more information: <https://www.halteobsolescence.org/lindice-de-durabilite-une-revolution-prevue-pour-2024/#::~:~:text=La%20mise%20en%20place%20de,ref%C3%A9rant%20leur%20niveau%20de%20durabilit%C3%A9>.



Member of the board of directors of Refashion (formerly ECO-TLC), which is the eco-organisation for the EPR sector of clothing, household linen and footwear. For more information: <https://refashion.fr/en>.



Decathlon is a member of the Ecologic board of directors and the strategic council (for the EPR Sport and Leisure Goods supply chain). Ecologic is the environmental organisation for the EPR Sport and Leisure Goods and EPR Waste Electrical and Electronic Equipment (WEEE) supply chains. For more information: <https://www.ecologic-france.com/>.



In September 2021, Decathlon joined Rehubs, coordinated by Eurotex (The European Apparel and Textile Confederation). The initiative brings together a number of companies from the textile industry, aiming to identify the opportunities, obstacles and economic, environmental and social values, as well as the investment required to set up recycling hubs in Europe. For more information: <https://euratex.eu/news/rehubs/>. For more information: <https://www.rehubs.eu/>.



Product Environmental Footprint (PEF): Involvement in a European experiment to define a common multi-criteria method for calculating and labelling the environmental footprint of textile products (T-shirts). Member of the Technical Secretariat along with a number of stakeholders, including the ADEME, the French Ministry of Ecological Transition, the Swiss Federal Office for the Environment (FOEN), brands such as Promod, Pimkie, Okaidi, etc., and producers such as Les Tissages de Charlieu and TAD. For more information: [https://green-business.ec.europa.eu/environmental-footprint-methods\\_en](https://green-business.ec.europa.eu/environmental-footprint-methods_en).



Decathlon joined the Better Cotton (BC) initiative in January 2012. This non-profit organisation promotes the global development of better cotton as a sustainable commodity, making it better for the people who produce it, for the environment in which it is grown and for the future of the industry. For more information: <http://bettercotton.org/>.



Based on the planetary boundaries framework, Environmental Action assists Decathlon in using calculation tools to integrate plastic pollution indicators to define quantified objectives and related trajectories to reduce its overall impact. For more information: <https://www.e-a.earth/>.



The Microfiber Consortium (TMC) is a multi-stakeholder, non-profit organisation. This consortium facilitates the development of practical solutions for the textile industry so as to minimise the fragmentation of fibres and their release into the environment during textile manufacturing and the life cycle of the products. For more information: <https://www.microfibreconsortium.com/about>.



The Business Coalition for a Global Plastics Treaty brings together companies and financial institutions which undertake to support the drafting of an ambitious, effective and legally-binding UN treaty to end plastic pollution. The coalition is led by the Ellen MacArthur Foundation and the WWF, in collaboration with committed companies and with the support of strategic partner NGOs. For more information: <https://www.businessforplasticstreaty.org/>.



The Plastic Footprint Network arose from the demonstrated need to normalise and standardise methodologies and frameworks for the assessment, measurement and reduction of plastic pollution on a global scale. The network relies on the pioneering efforts of plastic pollution experts from EA (Earth Action) and Quantis, in particular for the Plastic Leak project launched in 2020. The guidelines for this project introduced the first complete methodology enabling global businesses to assess the environmental impact of the plastics used in their products, services and operations. For more information: <https://www.plasticfootprint.earth/>.

DIVERSITY AND INCLUSION



EDGE Empower® is a software solution that enables users to steer and track the engagement, progress and compliance of diversity, equity and inclusion (DE&I) programmes in the workplace. The solution guarantees a rigorous and proven data-led approach to inform DE&I strategies, select priorities, and draft and implement appropriate action plans. It facilitates compliance in terms of pay equity, CSRD and other regulatory requirements, all the while enabling measurement and benchmarking against peers and the EDGE Global Standard, providing a clear definition of success in terms of DE&I.

EDGE Empower® and Decathlon have been working in partnership since March 2023, as clear evidence of their shared desire to create teams that reflect the diversity of the communities they serve, guaranteeing a workplace that values the unique attributes of each individual and that actively fights to end discrimination.

For more information: [www.edgeempower.com](http://www.edgeempower.com).



The King Baudouin Foundation is an independent and pluralist foundation for the public interest that has been working for over 40 years to create a better society. For more information: <https://kbs-frb.be/en>.



WageIndicator aims to increase labour market transparency by collecting, sharing and comparing up-to-date information on wages, labour law, collective agreements, the parallel economy, and more. Through research, projects and events, WageIndicator is actively improving working conditions around the world.

For more information: <https://wageindicator.org/>.

PRODUCT QUALITY AND SAFETY



The Apparel and Footwear International RSL Management (AFIRM) Group is an international working group of leading brands in the textile, footwear and sporting goods industry that works to standardise the chemical requirements of products. Decathlon is participating in the development of a common list of prohibited substances that can be used by all the brands involved. For more information: <https://www.afirm-group.com/>.



The European LIFE AskREACH project is focused on improving the substitution of Substances of Very High Concern (SVHC) in products as well as raising consumer awareness on their right to be informed about these substances. One of the project's main priorities is to facilitate communication on SVHCs between the different supply chain operators and the final consumer.

Decathlon is in regular contact with those involved in this project as a supplier of products, in order to make this information available and to contribute to the European database of the Scan4Chem mobile application. This application enables the user to scan products and find out if they contain SVHCs. The aim is to give better information to the public and to provide companies with tools to fulfil their obligations in terms of communication on SVHCs.

For more information: <https://reach-info.ineris.fr/focus/life-ask-reach>.



Chemsec is an independent, non-profit organisation seeking safer alternatives to toxic chemicals. Founded in 2022, Chemsec bases its work on that of chemists, political scientists, business experts, etc. Decathlon partners Chemsec in urging the European Union to adopt stricter requirements for chemicals and it is one of the co-signatories of the open letter to Ursula Von Der Leyen requesting the rapid and ambitious revision of the Registration, Evaluation, Authorisation and Restriction of Chemicals (REACH) regulation.

For more information: <https://chemsec.org/>.

For more information: <https://chemsec.org/a-company-request-for-an-ambitious-revision-of-reach/>.

DUTY OF VIGILANCE



Verisk Maplecroft is a UK-based consultancy firm that specialises in analysing international political, economic, social and environmental risks. By providing data and analysis on these topics, it enables companies to better anticipate, identify and manage the risks they face in their business. For more information: <https://www.maplecroft.com/>.



The Entreprises pour les Droits de l'Homme (Business for Human Rights) association aims to promote the understanding and integration of human rights within companies by implementing awareness-raising strategies. This voluntary and multi-sector initiative serves as a forum for exchanging and sharing best practices and for collaborative thinking. The association also designs operational tools for its members, including training and awareness-raising tools to assist them in implementing their procedures, in accordance with French law and international CSR standards. By joining EDH, Decathlon seeks to continue structuring and improving its human rights awareness programme while exchanging and working with other companies to address the challenges surrounding this issue.

For more information: <https://www.e-dh.org/en>.



Whispli is a safe, secure and anonymous alert platform where the members, partners or customers of an organisation can report ethical issues in the broadest sense of the term. Decathlon has introduced this platform to meet the obligations of the French Duty of Vigilance and Sapin 2 laws.

For more information: <https://www.whispli.com/>.



Ecovadis is an ESG ratings company for third-parties (suppliers and business partners). Its method is built on international criteria, including the principles of the United Nations Global Compact, the standards of the International Labour Organisation (ILO) and the United Nations Framework Convention on Climate Change (UNFCCC). It assesses four areas by means of an industry and country-based questionnaire alongside a documentation review.

This assessment is carried out in the following areas: environment, labour and human rights, business ethics and sustainable procurement. This solution is being used by Decathlon initially for indirect procurement and it will be used in the future with other business partners.

For more information: <https://ecovadis.com/>.



The OECD (Organisation for Economic Co-operation and Development) is an international organisation that works to build better policies for better lives. Since 2017, Decathlon has been a member of the advisory committee, whose task is to approve the OECD forum programmes on due diligence in the textile and footwear industries, and to launch working groups on new issues with regard to industry transformation and the development of the geopolitical, economic and regulatory situation.

For more information: <https://mneguidelines.oecd.org/responsible-supply-chains-textile-garment-sector.htm>.

DIGITAL RESPONSIBILITY



Decathlon joined the French Digital Responsibility Institute (INR - Institut Numérique Responsable) association when it was founded in 2019. The INR is a think tank that follows on from the Green IT Club, and provides a forum to reflect on digital issues, such as calculating the economic, social and environmental footprint, reducing impact and creating social value in order to achieve e-inclusion for all.

For more information: <https://institutnr.org/>.



Decathlon took part in the #FrenchTransfo project to initiate a responsible digital transformation among large groups. For more than a year now, the FrenchTransfo mission, chaired by Cédric O (Secretary of State for Digital Transition and Electronic Communications), has brought together major French groups in order to accelerate and combine their skills. All major groups have a duty to be responsible regarding the impact of digital technology on the environment (CO<sub>2</sub>, water, etc.). Decathlon has been involved in creating tools to measure the environmental impact of digital technology.

For more information: <https://www.economie.gouv.fr/environnement-numerique-feuille-de-route-gouvernement>.



Acts and Facts is a movement born within the Mulliez ecosystem, involving company employees, top managers and shareholders. Acts and Facts does not replace corporate strategies, serving instead as a catalyst to accelerate the ecological transition by creating virtuous connections between engaged people who want to learn more and take action. For more information: <https://actsandfacts.org/>.

# 5

## APPENDICES

# METHODOLOGICAL NOTE

## GENERAL ORGANISATION OF REPORTING

### 1 - Regulatory framework

Decathlon is subject to the regulatory non-financial reporting obligations relating to Ordinance No. 2017-1180 of 19 July 2018 and the decree issued pursuant to Ordinance No. 2017-1265 of 9 August 2017. The Non-Financial Reporting Declaration (NFRD) meets these obligations, which have evolved in relation to the Grenelle II Act.

#### Decathlon Vigilance Plan

The publication of a Vigilance Plan following Law No. 2017-399 of 27 March 2017 on the duty of vigilance is the subject of a specific publication available on the Internet.

It should be noted that the content of the Decathlon Vigilance Plan should be read in conjunction with the content of the annual NFRD: the two teams in charge of these initiatives work together throughout the year to ensure synergy and synchronisation between the two documents.

The Vigilance Plan includes a correlation table that explains the responses in the NFRD and the Vigilance Plan: <https://sustainability.decathlon.com/decathlon-annual-sustainable-development-reports>.

Decathlon SE<sup>1</sup> is not listed on the stock exchange. However, the following criteria are taken into account with regard to their materiality: promotion of and compliance with the eight fundamental conventions of the International Labour Organisation (ILO)<sup>2</sup> as well as information on actions in favour of human rights.

With regard to the fundamental conventions of the ILO, Decathlon applies the same standards in its own nine production sites as those required of its suppliers.

In addition, Decathlon has met the new regulatory obligations relating to the Non-Financial Reporting Declaration since fiscal year 2018, including:

- **Formalisation of Decathlon's value creation model.** The business model was developed by involving various representatives of the company's finance teams and based on internal documents, external megatrends and studies, but also drawing on the recommendations of the European Commission's guidelines on non-financial reporting (2017/C 215/01) and the international integrated reporting framework of the IIRC (International Integrated Reporting Council) of December 2013.
- **Presentation of Decathlon's main non-financial risks.** A collaborative approach was implemented with the internal Audit and Risk Management teams so that the NFRD team could rely on their work in terms of identification and prioritisation, resulting in a list of the main non-financial risks for Decathlon.
- **A review of the most strategic issues through an update of the stakeholder matrix, which is a constituent element of Decathlon's materiality analysis:** the 2023 stakeholder consultation highlighted the most strategic sustainability issues for Decathlon. In this year of transition to future CSRD requirements, the Group refined the methodology to reflect priority issues for itself and its stakeholders from a financial materiality and impact materiality perspective. First, Decathlon used Datamaran, a tool based on artificial intelligence, to survey its external stakeholders; and the company also used internal questionnaires to rank its 32 priority sustainability issues.
- **A sustainable development policy, called "2020-2026 Transition Plan"<sup>3</sup>,** resulting from the materiality study on the one hand and the analysis of the main non-financial risks on the other, was finalised and shared by Decathlon's Chief Sustainability Officer and the Chief People Officer with the teammates in March 2020.

It is possible to update this Transition Plan every year in January to publish the new commitments for the year.

### 2 - Changes applicable to the 2023 NFRD

Decathlon is gradually changing the structure and content of its non-financial report to incorporate the new regulatory requirements of the CSRD (Corporate Sustainability Reporting Directive), which was adopted on 10 November 2022 and transposed on 7 December 2023. Therefore in 2023, Decathlon changed the way it prepares and presents its NFRD in a process of continuous improvement.

The information is now clearly structured according to major sustainability areas: one section is devoted to environmental topics, a second relates to social issues and human rights, and a third deals with governance and business conduct issues.

This new architecture makes it possible to better follow the structure of the CSRD's ESRS standards.

Regarding the evolution of the materiality analysis, the steps that remain to be taken in 2024 are important in order to comply with the double materiality requirements, a cornerstone of the CSRD, by matching Decathlon's issues with the ESRS and by evaluating an issue's materiality in terms of its induced impacts, risks and opportunities.

Secondly, new elements have been taken into account and incorporated into this methodological note as a reporting principle in order to comply with ESRS 1 – General principles of the CSRD. They are presented in the "Time horizons" and "Preparation and presentation of sustainability information" sections of this methodological note.

Lastly, Decathlon asserts its willingness to prepare for future regulatory requirements by gradually incorporating all new performance indicators that will be required by the CSRD's ESRS.

### 3 - General reporting process

This Non-Financial Reporting Declaration presents Decathlon's commitments, achievements and plans in terms of corporate social and environmental responsibility (CSR) for the fiscal year 2023.

To draw up this Declaration, the following organisation was put in place:

- A dedicated NFRD reporting team:
  - an ESG reporting manager in charge of the overall process
  - two project managers responsible for consolidating numerical data and tools
  - an editor-in-chief, an editor and an editorial line manager for the qualitative part
  - two project managers for the reporting protocol part, for organising audit steps and for the materiality analysis
  - a CSRD compliance project manager responsible for assisting the company as it gradually adopts the new CSR reporting standards

This team is responsible for the following aspects: technique and project management, drafting & communication, consolidation of non-financial data, internal reporting protocol – implementation, deployment and use of the reporting tool (PURE) – materiality.

- A network of contributors covering the company's various activities and challenges (design, production, distribution, logistics, real estate, legal, climate, biodiversity, etc.)
- Meetings and strategic committees (*advice process*) with various participants (Decathlon's Chief Executive Officer, Chief Sustainability Officer, representatives of the "industrial performance" teams, representatives of the HR teams, etc.) to advise the NFRD team on the orientations and decisions related to the non-financial reporting process

A reporting protocol including the definitions of the indicators as well as the different data collection and consolidation procedures is updated and shared annually with the contributors concerned.

The 2023 data was consolidated using a dedicated IT tool (PURE reporting tool), allowing for a more efficient collection and processing of information for Decathlon.

### 4 - Sustainability information control process

Checking the information presented in the NFRD is crucial and a central element of the reporting process:

- Qualitative information is collected, verified and provided by contributors from the operational activities responsible for it. It is proofread and validated by various committees specialised in the specific fields and composed of people who are involved and aware of non-financial reporting issues. Once any necessary modifications have been made, it is incorporated in the annual NFRD.
  - Quantitative data is also checked for consistency and plausibility by contributors who are responsible for the reliability of the information they submit for this reporting exercise. Note that some non-financial indicators are taken from information that is regularly reported and managed by company employees. All this information is then checked, approved and consolidated by the reporting and consolidation project managers. In the same way as the qualitative data, numerical data undergoes a review and validation process by a specific committee prior to being incorporated.
- The purpose of this information verification process is to ensure that the data are understandable, reliable, accurate and compliant.

1. Decathlon has been a European company since 26 September 2019.

2. For more information on the International Labour Organisation (ILO): <https://www.ilo.org/global/lang-en/index.htm>.  
The eight fundamental conventions of the ILO are: Freedom of association and the effective recognition of the right to collective bargaining, The elimination of all forms of forced or compulsory labour, The effective abolition of child labour, The elimination of discrimination in respect of employment and occupation.

3. For more information on the Transition Plan: <https://sustainability.decathlon.com/>.

Work to organise and improve the collection, consolidation and reliability of data has been carried out every year since 2013 to bring it into line with changes in regulatory requirements, with the observations of the Independent Third Party Organisation and also to take into account changes in Decathlon's internal projects and strategies on sustainable development. This work over the past years has allowed to observe the relative reliability of certain information. The team in charge of reporting is committed to a process of progress and continuous improvement over several years in order to strengthen the internal reporting process and make the data communicated in Decathlon's non-financial reports more reliable.

The annual NFRD enables Decathlon to measure and report on its social, environmental and societal performance in order to make informed decisions.

The information from the NFRD and the conclusions of the audit carried out by the Independent Third Party Organisation are also used by the Decathlon Treasury teams in the context of projects for sustainability-linked loans set up with banks and are communicated to the Independent Experts assessing the company's annual share value.

5 - Verified information

In accordance with regulations, this Non-Financial Reporting Declaration has been verified by an independent third party. The work carried out and the conclusions can be found on page 240.

PRINCIPLES APPLICABLE TO  
THE DRAFTING OF THE NON-FINANCIAL  
REPORTING DECLARATION (NFRD)

Based on the GRI G4 (Global Reporting Initiative) Sustainability Reporting Guidelines, Decathlon applies the following principles in preparing its Non-Financial Reporting Declaration (NFRD):

- **Completeness:** to be as comprehensive as possible on the relevant topics to enable the reader of the report to assess the company's CSR performance
- **Relevance:** the topics considered relevant are those that Decathlon considers to be the most significant for its activities and its corporate governance
- **Clarity:** to be understood by all
- **Punctuality:** to submit the report on the same dates year after year
- **Balance:** to give an accurate picture of the company's overall performance by reflecting both positive and negative aspects
- **Accuracy:** to provide accurate and detailed information for a better understanding by the reader

TIME HORIZONS

1 - Reporting period

The reporting period for non-financial data is based on the calendar year (1 January - 31 December 2023) to ensure consistency with the business year of Decathlon companies as well as with existing company reporting.

In the event that certain data relates to a reporting period other than the calendar year, this is stated in the body of the report.

2 - Definition of time horizons

For this 2023 data reporting exercise, Decathlon defined short-, medium- and long-term time horizons that are in step with the CSRD's future requirements. These time horizons were shared with everyone who contributes quantitative data to harmonise timescales.

The chosen horizons are as follows:

- (a) short term: up to one year with respect to the reference period
- (b) medium term: up to five years from the end of the short-term reference period in point (a)
- (c) long term: more than five years

PREPARATION AND PRESENTATION  
OF SUSTAINABILITY INFORMATION

1 - Presentation of comparative data

When presenting numerical data in its Non-Financial Reporting Declaration, Decathlon compares the data of the current period with that of the previous period for each indicator, where possible.

Where the comparative information published differs from that published in the previous period, Decathlon endeavours to provide the revised figure and the reasons for its revision. If, for example, the revision is related to methodological changes made between 2022 and 2023, this is mentioned in a footnote for the indicator in question.

If comparative data for a past period cannot be adjusted, this is also stated in the explanatory notes.

2 - Sources of uncertainty related to estimates and results

There may be measurement uncertainty when quantitative information cannot be measured directly and can be obtained only through estimates. In this case, Decathlon identifies the indicators concerned in the report and strives to share information that will enable readers to understand the most significant uncertainties affecting these quantitative metrics.

In this context, information on the estimation methods used, as well as any assumptions made to obtain the published figures can be shared to clarify the information published by the company.

3 - Reporting errors in previous periods

In exceptional cases, some data calculated for previous years may differ from that reported in the 2022 NFRD, particularly when input or calculation errors have been detected (due to the nature of the data, methodological changes and scientific developments, etc.). In this case, these changes are explained in a footnote.

4 - Reporting scope

Decathlon was present in 57 distribution countries, with 100,701 teammates and a sales figure of €15.6bn before tax, in 2023.

The Decathlon Group's scope includes, as of 31/12/2023:

- 1,749 stores (all forms of sales combined)<sup>4</sup>
- 72 warehouses and logistics platforms
- 9 production sites owned by Decathlon

In order to establish the target CSR reporting scope for the 2023 financial year, it was agreed to use the scope of financial consolidation, which includes all Decathlon Group subsidiaries as of 31 December of the reporting year, and from which restatements have been made.

The restatements made correspond to the exclusion of subsidiaries from the scope of financial consolidation.

Exclusions are made on the basis of:

- corporate purpose (companies whose sole purpose is to acquire holdings, subsidiaries whose sole purpose is to hold real estate)
- control (Art.L233-3 French Commercial Code)
- ongoing operations
- sales (threshold of 0.01% of the sum of the sales from the Decathlon Group's subsidiaries) of the subsidiary in question

For the latter, Decathlon considers that the cost of obtaining the environmental, social and societal data is not commensurate with its value. The exclusion of these companies does not have a significant impact on the representativeness of the data.

However,

- any subsidiary with more than 10 stores must be included in the CSR target reporting scope in terms of its impact on "Group" data. In other words, the rule for inclusion in the target CSR reporting scope in terms of the number of stores prevails over the rule for exclusion from the target CSR reporting scope in terms of sales
- any subsidiary recording RBU (Reporting Business Unit) which corresponds to sales linked solely to a production activity for Decathlon products, regardless of the amount, must imperatively be part of the CSR target reporting scope with regard to the Duty of Vigilance determined by the Human Responsibility in Production (HRP) indicator, even if, due to the sales threshold, it would be excluded from the CSR target reporting scope
- for Mainland China, in view of the local legal structures, it was decided to establish a specific rule, which consists of integrating all subsidiaries with distribution and logistics activities

The coverage rate of the CSR target reporting scope for 2023 is 98.8% of the sum of the sales from the Decathlon Group's subsidiaries. Any scope limitations are specified at the level of each indicator where appropriate.

# METHODOLOGICAL CLARIFICATIONS

**1 -** The wording "Decathlon Group" (or "the Group") refers to the entity Decathlon S.E and all its subsidiaries.

**2 -** Note that the term "Decathlon brands" refers to Decathlon's own brands (e.g., Quechua for mountain sports, Kuikma for racquet sports, Kipsta for team sports, etc.) The abbreviation "OIB" refers to the other international brands Decathlon distributes.

**3 -** The suppliers referred to by Decathlon are those with which the company has direct or indirect commercial relations in the context of the production of its own brand products and their components. The product development approach (ecodesign, quality, human responsibility in production, etc.) presented concerns only products manufactured for the company's own brands.

**4 -** The non-financial information on Decathlon's activities relating to Installations Classified for Environmental Protection (ICPE) in France is consolidated at Group level by the CSR legal counsel.

**5 -** Decathlon's main activities include the design, manufacture, wholesale, semi-wholesale and retail of all products and services useful to sportspeople and their families, and personal equipment in general. Decathlon markets, through its own brand Aptonia, sports nutrition products and food supplements, which do not fall into the category of foodstuffs. As such, Decathlon is not considered a distributor in the food sector. The issues of food insecurity, sustainable food and food waste are not considered to be material in relation to the number of products and the sales figure achieved, but Decathlon may take action to reduce the impact of the products that could be involved. Furthermore, sports nutrition products and food supplements have a long shelf life and are not highly perishable.

4. Franchised stores whose sales figure is not consolidated in the income statement have been excluded.

## 6 - Context

With 2.4% growth (excluding the Russia impact), 2023 was marked by a challenging business environment: consumers' purchasing power suffered under strong inflationary pressure, preventing the company from reaching its more ambitious initial forecasts. In the second half of the year, good production cost management helped lower prices to restore customer purchasing power while protecting Decathlon's margin. E-commerce (12% of sales) contributed to an increase in the amount of products sold, with a rise of 2.8%.

In 2023, Europe contributed 75% of the company's total growth (at constant exchange rates) and Mainland China returned to sales growth thanks to actions taken there.

## 7 - Indicators not included in the 2023 NFRD

In relation to the 2020-2026 Transition Plan, Decathlon is working to define new indicators that will enable to drive performance:

**For the "Agile and networked organisation" challenge:** HR teams are working to gradually implement and apply a Digital Maturity Index (DMI) in all countries by 2026. As an intermediate step to measuring the DMI, a question was added to the Decathlon Teammates Barometer in 2020 and this was reformulated in 2023 to improve clarity: "I am improving my use of digital tools in my responsibilities." A second question was also created: "My knowledge of digital skills helps me make better decisions."

**For the "overstock management" challenge and the "zero components and finished products incinerated or buried in 2026" commitment:** in 2023, Decathlon changed the structure of its international logistics activities to better align it with the Group's international business strategy. This will improve efficiency and help better manage excess inventory. Indicator checks and monitoring are currently being reviewed to ensure that no finished component or product ends up in a landfill or being incinerated. A more detailed report on this process will be available next year.

## 8 - For the business model financial information:

Details are provided below to shed light on the figures shown in representation of the Decathlon business model.

Some of this information is available in a simplified form in the consolidated financial statements:

- **800 million euros distributed as dividends:** the dividend paid out in 2023 is the dividend declared in 2022
- **15.6 billion euros in sales excluding taxes,** or growth of **1.4%** in constant currency
- **931 million euros in net profit:** this net profit was expressed for the 2023 financial period at Decathlon group level. The net profit for France over the 2023 financial period amounts to **257 million euros**
- **4.1 billion euros in economic contribution:** economic contribution encompasses direct taxes, namely taxes directly owed and paid by Decathlon (such as corporate tax) and indirect taxes collected by Decathlon on behalf of the different countries in which Decathlon conducts its business (such as VAT). Of these **4.1 billion euros** in economic contribution, **2.7 billion** were indirect taxes and **1.4 billion** were direct taxes (including social security contributions)
- **24.75%** is the Group's effective tax rate

## 9 - Information on the social component:

For the 2023 NFRD, Decathlon focused on the same contributing countries as in 2022 to improve data reliability. This will continue in 2024.

The scope of social data generated by payroll software represents 90% of the global workforce, and includes the following 22 participating countries/regions: France, Spain, Italy, Belgium, Mainland China, Poland, Germany, Portugal, India, Hungary, Brazil, Turkey, the Czech Republic, Romania, England, Morocco, Mexico, the Netherlands, Taiwan, Switzerland, Singapore and Canada.

Russia is not included in the 2023 fiscal year because Decathlon no longer owns or leases any real estate there. However, the 2022 data has been preserved.

Most of the quantitative information published on these countries is therefore produced on the basis of ad hoc payroll software.

The quantitative data published for the remaining 10% is calculated on the basis of data reported in the "Identity Access" tool, which is relatively reliable.

It should be noted that the "breakdown by activity" indicator is calculated solely on the basis of this same tool.

A collection framework was established beforehand with a standard definition for each indicator collected.

Three additional countries will be introduced each year from 2025:

- 2025: Colombia, Thailand and Malaysia
- 2026: Vietnam, Chile and Slovakia
- 2027: Australia, Israel and Bulgaria

These countries will be contacted on an ongoing basis to incorporate the collection framework using their payroll extracts to improve the reliability of the data.

A network of contributors for social data is gradually being set up in the various countries by the HR Reporting Project Manager, with the aim of broadening the scope of qualitative HR information communicated in future reports.

10 - Logistics figures:

Methodological work was carried out in 2023 to broaden the scope of part of the transport indicators; they are now reported on a world scope rather than for Europe as previously.

In 2023, Europe accounted for 66.5% of the quantities of items shipped from the producing countries.

11 - Environmental information and the greenhouse gas (GHG) emissions inventory:

Regarding methodological changes:

In 2023, Decathlon transitioned from the internal methodology used until that point to the GHG Protocol's greenhouse gas emissions measurement methodology. This choice was made based on Decathlon's desire to respect reference standards that improve comparability between companies.

Thanks to this change, Decathlon was able to broaden its scope of measurement, adding franchises, investments and some indirect purchases (not included previously), and provide a carbon footprint that separates scopes 1, 2 and 3 as defined by the GHG Protocol. This new format also makes it possible to better analyse emission sources and define adapted trajectories.

To comply with the GHG Protocol approach, Decathlon now applies the "100-0" method—also known as the "Recycled Content Method"—to calculate product end-of-life and the impact of recycled raw materials. It no longer uses the Circular Footprint Formula defined by the Product Environmental Footprint (PEF).

Following this same logic, Decathlon also updated and aligned its sites' waste emission factors with the GHG Protocol, which recommends combining all recycling and incineration with energy recovery streams with zero emission factors. This leaves only the impacts of hazardous waste, landfill and incineration (with no energy recovery), for which the PEF method was used internally to calculate the impact of products.

No major methodological changes were made for energy in production (emissions related to scope 3 are accounted for using the market-based approach), transport or retail. However, updates were made to the calculation of energy-related emissions in production in 2023 to refine this measurement. Decathlon added its company-owned factories (that were previously included in scope 3) to scopes 1 and 2. Thermal energy consumed at production sites is now included, as well as electricity from renewable sources. Special attention was paid in 2023 to the quality of product environmental assessments.

Regarding scope changes:

Following the switch to the GHG Protocol methodology, Decathlon expanded the scope of its carbon footprint measurement, adding:

- part of indirect purchases that are not included in site/logistics energy sources, IT equipment and transport with purchases of goods not related to the products sold by Decathlon (e.g., furniture), consulting services, communication and consumables (supplies and furniture)
- franchises: scopes 1 and 2 are incorporated in Decathlon's scope 3, since the sale of Decathlon products by franchised stores was already accounted for
- alliances: the emissions of companies in which Decathlon invests, incorporated according to the rules defined by the GHG protocol for Category 15 "investments"

Production sites: Emissions related to Decathlon suppliers' electricity consumption are accounted for using the market-based approach. This method allows Decathlon to assign a value in its carbon footprint to the efforts made to provide these suppliers with renewable energy.

Downstream transport: Decathlon carried out a mock audit for product transport from warehouses to stores for the 2023 financial year. Note that the France data item was excluded from the calculation of this indicator for 2023. This section had been assessed previously, but this audit reflects Decathlon's desire to continue improving the quality of its environmental data.

Upstream transport (warehouse to warehouse): The geographical scope was increased, with 94.3% of world data included in the CO<sub>2</sub> footprint in 2022, and 99.96% in 2023.

Retail: The change in the tool used made it possible to calculate the travel required for customers to collect their click & collect orders and include it in the company's carbon footprint.

Regarding the update to historical data:

For production sites: As concerns energy from suppliers' production sites, following the change in the method for reintegrating actual impacts, Decathlon recalculated historic data up to the reference year in 2021, for comparability purposes.

For product-related emissions: In 2023, the industrial textile assembly process was included in the calculation of product-related emissions in the PACE design tool (footwear processes were already included in 2022). Historical data from 2021 and 2022 were transferred to allow comparability with 2023 data.

For retail and logistics related emissions: For retail and logistics, all the variables of the estimates made on 2021 and 2022 data on ghost sites (fictitious sites created by computer to track certain types of data; e.g., for B2B activities) have been updated, making it possible to allocate emissions not related to a physical site.

A recalculation was also carried out, including a new data source for the variables used to calculate the estimates.

For transport-related emissions: International transport data (product transport between suppliers and Decathlon warehouses) for 2021 and 2022 was recalculated to correct identified errors for air transport.

Regarding energy consumption and energy efficiency per m²:

Any data that is not available is estimated. The estimate is based on a kWh/m² ratio from the previous year.

In 2023, 9% of kWh of natural gas was estimated while 91% came from actual data. For electricity, 14% of kWh of electricity was estimated while 86% came from actual data.

Like last year, only stores and warehouses that have been open for more than a year were included in calculating energy efficiency. Teams also excluded sites that closed during the year, production offices and central offices.

The scope includes 65 out of 75 warehouses (87%) and 1,689 out of 1,809 stores (93%).

Regarding water consumption at stores and warehouses:

Decathlon's water consumption is not considered as significant; it is limited to sanitary facilities, break rooms, watering green areas and testing sprinklers. This average consumption was calculated in 2016 on the basis of actual data obtained from a sample of 23 stores and 1 warehouse; it confirmed the fact that no exhaustive reporting was needed given the low consumption.

Regarding waste from stores and warehouses:

The scope of sites included to monitor waste production in the Metrio tool remain the same as last year: 100% of company-owned stores (1,810 stores) and 100% of company-owned and subcontracted warehouses (74 warehouses) having an operational activity or having closed in 2023.

In Metrio, Decathlon uses an estimation system that assigns quantities of residual waste (sent to landfill or incineration) to sites that have not provided actual quantities for this type of waste. So, when the actual data is missing, data is estimated based on a ratio between the weight of waste and the physical quantities sold for stores or items shipped for warehouses.

Since 2023, to refine the relevance of these estimation ratios, Decathlon relies solely on reliable quantities from year N-1 to determine the ratios applied to year N. Therefore, estimated data is no longer considered when determining these ratios.

The estimated quantities of waste using these ratios are considered as not being sorted and as destined for landfill. So, countries and sites where no data is reported have a recycling rate equal to 0%.

This specific ratio calculation was undertaken by type of site: company-owned stores, company-owned warehouses and subcontracted warehouses; and on two geographical scales: the Group level and the country level. So, if a country had a reliability rate of 20% or higher in 2022, the ratio at the country level is considered sufficiently reliable to be applied. Conversely, if a country had a reliability rate of less than 20% in 2022, then the generic Group-level ratio for the type of site is applied to preserve the reliability of the estimates.

For example, in 2022, Chinese stores had a reliability rate of 7% for generated waste, so the ratio specific to stores at the Group level was applied to estimate base quantities in 2023. Conversely, because Portuguese stores had a 60% reliability rate in 2022, the country ratio was applied to them for 2023.

For the Retail scope, of the 62 countries in which Decathlon owns stores, the local ratio is applied to 40 countries and the Group ratio is applied to 22 countries. For the Logistics scope, of the 35 countries hosting warehouses (company-owned and/or subcontracted), the local ratio is applied to 13 countries and the Group ratio is applied to 22 countries.

Data reliability remained stable overall in 2023 due to methodological changes that led to an increase in Group ratios (5% increase for stores, 9% for company-owned warehouses and 27% for subcontracted warehouses). Actual data represents 69% of waste tonnage at the global Group level (65% for retail and 74% for logistics).

Furthermore, a new category of waste called "Recycling – Hard Plastics" was created in the Metrio monitoring and reporting tool, resulting in the "Recycling – Plastics" category to be renamed "Recycling – Soft Plastics". Therefore, the weight of recycled plastics displayed in the indicators table is equal to the sum of these two categories.

12 - Information on the biodiversity impact assessment

Decathlon calculated its biodiversity footprint according to the GBS (Global Biodiversity Score – version 1.4.6) method, which assigns impacts on two ecosystems (terrestrial and freshwater) and with two time frames (cumulative and annual). The Group decided to report annual freshwater results and cumulative impacts related to climate change in order to work to continuously improve these indicators, even though CDC Biodiversité recommends not publishing them, given their high level of uncertainty.

Decathlon used the artificialised m² equivalent to communicate the results, which is based on MSA.m², the reference unit used in the scientific world, with the following hypothesis: 1 MSA.m² = 1 artificialised m² eq. (MSA stands for Mean Species Abundance).

Impacts on biodiversity are calculated by multiplying an activity data item by commodity, pressure and/or erosion factors. Activity data was collected within the defined scope.

When data was unavailable or contained errors, either hypotheses were created or data was extrapolated from actual data.

The data used is internal financial data, except for land area (scope 1), cotton consumption for textiles business units, carbon pressures and eutrophication pressure. CO<sub>2</sub> impacts were modelled using the GHG Protocol.

The scope used for the annual biodiversity footprint includes all of Decathlon's activities from 1 January to 31 December 2023, excluding alliances. The cumulative biodiversity footprint is extrapolated using Decathlon business data from 2020 (1 January to 31 December) and includes the annual impact for 2021.

Methodological limitations of the indicators

This is the eleventh non-financial report for Decathlon, and it is part of a continuous improvement process over several years to structure and strengthen the process internally.

Environmental, social and societal indicators may have methodological limitations due to:

- the non-harmonisation of definitions, national/international legislation and local practices
- the difficulty to collect information without a software solution for some data
- manual entry of information into the PURE reporting tool: its certainty depends on the quality of the data entered by the teams
- the availability of certain data within a restricted scope
- extrapolation and estimation of some data where actual data is not available
- the progressive implementation of our internal reporting protocol covering the collection, consolidation and control of indicators.

NFRD CROSS-REFERENCE TABLE

This table indicates where to find the information required by the regulatory obligations of the Declaration of Extra-Financial Performance within this publication:

| CROSS-REFERENCE TABLE<br>FOR REGULATORY OBLIGATIONS                                                                         | Where to find this information?                                                                                      |
|-----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------|
| Climate change                                                                                                              | Fighting against climate change on page 45                                                                           |
| Societal commitments in favour<br>of sustainable development                                                                | Territorial dynamics on page 188<br>Decathlon Foundation on page 193                                                 |
| Circular economy                                                                                                            | Resources and circular economy on page 105                                                                           |
| The fight against food waste<br>and food insecurity                                                                         | Fighting food waste through<br>Too Good To Go on page 125                                                            |
| Animal welfare                                                                                                              | Choosing low-impact materials on page 112                                                                            |
| Responsible, sustainable<br>and fair-trade food choices                                                                     | Fighting food waste through<br>Too Good To Go on page 125                                                            |
| Collective agreements                                                                                                       | Teammate well-being on page 136<br>Diversity and inclusion on page 138<br>Sharing value and shareholding on page 153 |
| Measures in favour of people with disabilities                                                                              | Disability on page 142                                                                                               |
| The fight against discrimination,<br>promoting diversity                                                                    | Diversity and inclusion on page 138                                                                                  |
| Actions aimed at promoting the link between<br>the Nation and the Army and supporting<br>commitment to the reservist forces | Facilitating teammates' community<br>involvement in France on page 191                                               |
| Business model                                                                                                              | Business model and value chain on page 30                                                                            |
| Main non-financial risks                                                                                                    | Main non-financial risks on page 34                                                                                  |
| Policies                                                                                                                    | Available on: <a href="https://sustainability.decathlon.com/">https://sustainability.decathlon.com/</a>              |
| Results and key performance indicators                                                                                      | Performance indicators,<br>pp. 40, 70, 88, 102, 126, 156, 176, 184, 197 and 216                                      |

# MAIN NON-FINANCIAL RISKS

This table below also shows the correlations between the list of main non-financial risks and the key performance indicators

| DEVELOPING PEOPLE                                                           | + Description of opportunities                                                                                            | - Description of risks                                                                                                                                                                                                  | Commitments from the Transition Plan                                                                                                                                                                                                                            | Issues resulting from stakeholder consultation                                                      | Qualitative or quantitative indicators audited by third-party auditors for the 2023 NFRD                                                                                                                 |
|-----------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| People performance, purpose and values                                      | Teammate engagement, cohesion                                                                                             | Loss of purpose and lack of clarity regarding corporate values                                                                                                                                                          |                                                                                                                                                                                                                                                                 | Empowering and fair management                                                                      | Results of the Decathlon Teammates Barometer (DTB)                                                                                                                                                       |
| Employment and skills management                                            | Availability and quality of skills maintenance, talent development                                                        | Loss of skills including expertise, insufficient attractiveness, disemployability, inadequate response to development needs, failure to anticipate career changes, loss of connection between teammates and the company | We're sporty, and looking to boost performance through the mutual enjoyment of working together                                                                                                                                                                 | Skills and know-how development<br>Attractive jobs and talent management                            | Results of the DTB<br>Percentage of people having received at least 3 hours of training in the past two years*                                                                                           |
| Sharing created value                                                       | Sharing value, participating in company development, project commitment                                                   | Reduced remuneration                                                                                                                                                                                                    | We create human, environmental and economic value sustainably; and we all share in the benefits. This encourages us to set ourselves ambitious targets and implement the action plans to achieve them                                                           | Sharing created value                                                                               | Percentage of employee                                                                                                                                                                                   |
| Physical safety of people in distribution, logistics and service activities | Teammate health and safety, well-being, quality of work life                                                              | Accidents, illnesses, psychosocial risks                                                                                                                                                                                | Teammates feel physically and psychologically safe in their work environment                                                                                                                                                                                    | Healthy and well-being working conditions                                                           | Results of the DTB<br>Frequency rate of workplace accidents                                                                                                                                              |
|                                                                             | Customer health and safety, product safety (harmlessness, strength, etc.)                                                 | Danger for health during product or service use                                                                                                                                                                         | We approve our finished products and components at the design, development and production stages, so they fulfill a safe and sustainable purpose. We work in a proactive manner to gradually eliminate potentially dangerous chemicals from our sports products | Product quality and safety                                                                          | Return rate per million (RPM)                                                                                                                                                                            |
|                                                                             | Customer safety instore                                                                                                   | Accidents, illnesses                                                                                                                                                                                                    | -                                                                                                                                                                                                                                                               | Product quality and safety                                                                          | n/a                                                                                                                                                                                                      |
| Fundamental human rights                                                    | -                                                                                                                         | Serious violation of human rights, fundamental freedoms, health and safety of teammates, third parties, suppliers and providers                                                                                         | Percentage of teammates who are co-owners                                                                                                                                                                                                                       | Working conditions and human rights<br>Fair buying practices                                        | Percentage of Rank 1 production sites of suppliers rated A, B or C in human responsibility in production assessments                                                                                     |
|                                                                             |                                                                                                                           |                                                                                                                                                                                                                         | Concerned teammates are trained in human rights                                                                                                                                                                                                                 | Working conditions and human rights                                                                 |                                                                                                                                                                                                          |
| Diversity, equity and inclusion                                             | Internationalisation, cultural exchanges, multinational performance                                                       | Unfair treatment of teammates, unequal opportunities based on gender, age, cultural background, skills, ethnic origin, nationality, religion or sexual orientation                                                      | Decathlon is an inclusive business boasting exceptional diversity (age, gender, nationality, etc.). Our teams reflect local society and we retain what makes us unique.                                                                                         | Diversity richness and inclusion                                                                    | n/a                                                                                                                                                                                                      |
|                                                                             |                                                                                                                           |                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                 |                                                                                                     | Percentage of women team leader and percentage of women team leader in top management                                                                                                                    |
|                                                                             |                                                                                                                           |                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                 |                                                                                                     | Percentage of internationalisation in top management                                                                                                                                                     |
| Customer experience                                                         | Customer satisfaction, referral, loyalty, basket amount, product innovation, new consumption trends                       | Negative image, dissatisfaction, loss of sales                                                                                                                                                                          | Average of customer reviews for Decathlon and OIB products sold                                                                                                                                                                                                 | Satisfied customers<br>Product affordability                                                        | Customer reviews                                                                                                                                                                                         |
| PRÉSERVER LA NATURE                                                         | + Description of opportunities                                                                                            | - Description of risks                                                                                                                                                                                                  | Commitments from the Transition Plan                                                                                                                                                                                                                            | Issues resulting from stakeholder consultation                                                      | Qualitative or quantitative indicators audited by third-party auditors for the 2023 NFRD                                                                                                                 |
| Climate change                                                              | Energy savings, resource availability                                                                                     | Physical risks and risks of maladaptation to the environmental transition                                                                                                                                               | Reducing CO <sub>2</sub> emissions and neutralising residual emissions to help achieve global carbon neutrality, based on science-based targets                                                                                                                 | Transition for a low-carbon economy                                                                 | CO <sub>2</sub> emissions in scope 1 and 2<br>CO <sub>2</sub> emissions in scope 3: product transportation (warehouse to warehouse and international transport)<br>Energy consumption per m <sup>2</sup> |
|                                                                             |                                                                                                                           |                                                                                                                                                                                                                         | Work with key suppliers to ensure that they are autonomous in terms of monitoring their carbon emissions and their energy consumption                                                                                                                           | Fair buying practices                                                                               | Percentage of Rank 1 and 2 production sites rated A, B or C during environmental assessments                                                                                                             |
|                                                                             |                                                                                                                           |                                                                                                                                                                                                                         | Commitment to consume renewable electricity across all our sites (purchasing and direct production)                                                                                                                                                             | Energy efficiency and renewable energy use                                                          | Percentage of renewable electricity consumed by production sites guided in decarbonation issues                                                                                                          |
| Environmental impacts throughout the value chain                            | Emission and pollution control, protection and optimisation of resources in the value chain                               | Plastic and chemical pollution, biodiversity damage, water, air and soil pollution, waste management                                                                                                                    | Supporting suppliers in continuously reducing their environmental impact and managing their water consumption                                                                                                                                                   | Prevention and environmental efficiency n activities and the value chain                            | Percentage of Rank 1 and 2 production sites rated A, B or C during environmental assessments                                                                                                             |
|                                                                             |                                                                                                                           |                                                                                                                                                                                                                         | Eliminating single-use plastic and sources of plastic and microplastic leaks in the value chain                                                                                                                                                                 |                                                                                                     |                                                                                                                                                                                                          |
|                                                                             |                                                                                                                           |                                                                                                                                                                                                                         | Calculate and publish Decathlon's biodiversity dependencies and impacts on biodiversity, limiting the loss of biodiversity in line with the recommendations of the Kumming-Montreal global framework (COP 15)                                                   | Natural capital and biodiversity                                                                    | -                                                                                                                                                                                                        |
| Compliance with environmental & ESG regulations                             | Positive impact on stakeholders                                                                                           | Reputation and legal risks                                                                                                                                                                                              | Organisation of recycling channels for our various types of products, operating waste recycling and recovery                                                                                                                                                    | Prevention and environmental efficiency in activities and the value chain                           | Rate of waste recycling                                                                                                                                                                                  |
|                                                                             |                                                                                                                           |                                                                                                                                                                                                                         | -                                                                                                                                                                                                                                                               | Compliance                                                                                          | Duty of Vigilance                                                                                                                                                                                        |
|                                                                             |                                                                                                                           |                                                                                                                                                                                                                         |                                                                                                                                                                                                                                                                 |                                                                                                     |                                                                                                                                                                                                          |
| Transformation of the business model to reach environmental targets         | New consumer habits, development of the economy of use and circularity                                                    | Opening up to non-efficient economic partners                                                                                                                                                                           | Increase in the number of repairable products, adapted repair services, second-hand products, new rental models                                                                                                                                                 | Resources preservation and circular economy<br>Raw material prices and availability                 | Circular sales<br>Percentage of sales made from products that have benefitted from an ecodesign approach                                                                                                 |
| CRÉER DE LA VALEUR DURABLE                                                  | + Description of opportunities                                                                                            | - Description of risks                                                                                                                                                                                                  | Commitments from the Transition Plan                                                                                                                                                                                                                            | Issues resulting from stakeholder consultation                                                      | Qualitative or quantitative indicators audited by third-party auditors for the 2023 NFRD                                                                                                                 |
| Cybersecurity                                                               | Respect and protection of personal data                                                                                   | Unavailability of systems, leakage of internal and external stakeholder personal data, manipulation of company information                                                                                              | -                                                                                                                                                                                                                                                               | Protection of personal data and digital security                                                    | Cybersecurity<br>Security of personal data                                                                                                                                                               |
| Non-financial data                                                          | Data control throughout the value chain, better information management, better decision making, organisational efficiency | Lack of data governance, reliability, integrity, inadequate access                                                                                                                                                      | The measurement of the most impactful actions to reduce Decathlon's social and environmental impact is included in Decathlon's monthly performance report                                                                                                       | Integrating environmental, social and governance criteria in the company's organisational structure | n/a                                                                                                                                                                                                      |
| Business ethics                                                             | Integrity, loyalty, values and moral principles in doing business, trust in business relations                            | Internal and external acts of fraud/corruption                                                                                                                                                                          | Teammates have access to the internal alerte platform that enables them to raise questions or report issues                                                                                                                                                     | Business ethics                                                                                     | Number of reports received on Whispli                                                                                                                                                                    |

# CONFIRMATION OF PARTICIPATION AND REPORT ON THE FAIRNESS OF INFORMATION

DECATHLON  
FOR THE YEAR ENDED  
December 31, 2023

Report by the Independent third-party organisation on the verification of the consolidated non-financial statement included in the management report

To the shareholders,  
In our capacity as Independent third-party organisation, member of Mazars Group and accredited by COFRAC Inspection under number 3-1095 (list of accredited sites and their scope of accreditation available on [www.cofrac.fr](http://www.cofrac.fr)), we have performed work to provide a reasoned opinion that expresses a limited level of assurance on the historical information (observed and extrapolated) of the consolidated extra-financial performance statement (hereinafter the "Information" and "Statement" respectively), prepared in accordance with the entity's procedures, as well as, at the Company's request and outside the scope of accreditation, a reasonable assurance conclusion on a selection of information, prepared in accordance with the Entity's procedures (hereinafter the "Guidelines"), for the financial year ended December 31, 2023, presented in the management report of DECATHLON (hereinafter the "Entity") in application of the provisions of Articles L. 225-102-1, R. 225-105 and R. 225-105-1 of the Commercial Code.

Conclusion

Based on the procedures we performed, as described in the "Nature and scope of our work" and the evidence we collected, nothing has come to our attention that causes us to believe that the consolidated non-financial statement is not presented in accordance with the applicable regulatory requirements and that the information, taken as a whole, is not presented fairly in accordance with the guidelines, in all material respects.

Comments

Without modifying our conclusion and in accordance with article A. 225-3 of the French Commercial Code, we have the following comments:  
- Regarding human resources, the reporting scope is not exhaustive and covers only 90% of the Group's headcount as of December 31st, 2023. Moreover, the scope may differ from one indicator to another due to the absence of a reporting process in some countries and on the lack of a Group reporting tool. The countries concerned by these exclusions are specified indicator by indicator in the statement.  
- The historical record, the completeness of the information and the updating of products identified as "having benefited from an eco-design approach" are continuing to be strengthened. This information is needed to calculate the indicator "Percentage of sales generated by products that have benefited from an eco-design approach".  
- The indicators relating to the Transition Plan commitments "100% of countries are driven by a digital maturity index; 0 components or finished products incinerated or landfilled" are not yet available, as mentioned in the statement.  
- The information needed to characterise the type of engine used (diesel, biofuel, electric, etc.) is not all available for France. Consequently, the indicator "CO<sub>2</sub> emissions from the transport of DECATHLON products delivered worldwide (from 01/01 to 31/12) from distribution platforms to shops" published in the statement does not include data for France.

Reasonable assurance report on selected information

For the information selected by the company and identified by the sign ✓, we have carried out, at the company's request and on a voluntary basis, work of the same nature as that described in the paragraph "Nature and scope of the work" above for the key performance indicators and for the other quantitative results that we considered to be the most important. This work was carried out in greater depth, particularly in terms of the number of tests. The selected sample thus represents between 56% and 100% of the environmental information identified by the sign ✓.  
We are convinced that this work allows us to express reasonable assurance on the information selected by the company and identified by the sign ✓.

Conclusion

In our opinion, the information selected by the company and identified by the sign ✓ has been established, in all material respects, in accordance with the standard.

Preparation of the non-financial performance statement

The lack of a commonly used framework or established practice on which to base the assessment and evaluation of information allows for the use of alternative accepted methodologies that may affect comparability between entities over time.  
The statement has been prepared in accordance with the entity's procedures (hereinafter the "guidelines"), the main elements of which are presented in the statement.

Restrictions due to the preparation of the Information

As mentioned in the statement, the information may contain inherent uncertainty about the state of scientific or economic knowledge and the quality of external data used. Some of the information is dependent on the methodological choices, assumptions and/or estimates made in preparing the information and presented in the statement.

The entity's responsibility

The Board of Directors is responsible for:  
- selecting or setting appropriate criteria for the provision of the information;  
- preparing the statement with reference to legal and regulatory requirements, including a presentation of the business model, a description of the main non-financial risks, a presentation of the policies implemented considering those risks and the outcomes of said policies, including key performance indicators;  
- and implementing internal control procedures deemed necessary to preparation of information, free from material misstatement, whether due to fraud or error.  
The Statement has been prepared by applying the company's guidelines as referred to above.

Responsibility of the independent third-party organisation

Based on our work, our responsibility is to provide a report expressing a limited assurance conclusion on:  
- the compliance of the statement with the requirements of article R. 225-105 of the French Commercial Code;  
- the fairness of the information provided in accordance with article R. 225 105 I, 3° and II of the French Commercial Code, i.e., the outcomes, including key performance indicators, and the measures implemented considering the principal risks (hereinafter the "Information").  
We have carried out work designed to provide a reasoned opinion expressing a limited level of assurance on the historical, observed or extrapolated information.

As our responsibility is to express an independent conclusion on the information as prepared by management, we are not permitted to be involved in the preparation of this information, as this could compromise our independence.  
It is also our responsibility to express, at the request of the entity and outside the scope of accreditation, a reasonable assurance conclusion on whether the information selected by the Entity<sup>1</sup> has been prepared, in all material respects, in accordance with the Guidelines.

It is not our responsibility to express an opinion on:  
- the entity's compliance with other applicable legal and regulatory requirements (in particular with regard to the due diligence plan and the fight against corruption and tax evasion);  
- the compliance of products and services with applicable regulations.

Regulatory provisions and applicable professional standards

The work described below was performed with reference to the provisions of articles A. 225-1 et seq. of the French Commercial Code, as well as with the professional guidance of the French Institute of Statutory Auditors ("CNCC") applicable to such engagements and with ISAE 3000<sup>2</sup> (revised).  
This report has been prepared in accordance with the RSE\_SQ\_Programme de vérification\_DPEF.

Independence and quality control

Our independence is defined by the requirements of article L. 822-11-3 of the French Commercial Code and the French Code of Ethics (Code de déontologie) of our profession. In addition, we have implemented a system of quality control including documented policies and procedures regarding compliance with applicable legal and regulatory requirements, the ethical requirements and French professional.

Means and resources

Our work was carried out by a team of 9 people between September 2023 and April 2024 and took a total of 10 weeks.  
We called on our specialists in sustainable development and social responsibility to assist us in our work. We conducted some twenty interviews with the people responsible for preparing the statement, representing the sustainable development management, internal audit and risk management, human resources, health and safety, environmental and compliance departments.

Nature and scope of our work

We planned and performed our work considering the risks of significant misstatement of the Information.  
We are convinced that the procedures we have carried out in the exercise of our professional judgement enable us to provide a limited assurance conclusion:  
- we obtained an understanding of all the consolidated entities' activities and the description of the principal risks associated;  
- we assessed the suitability of the criteria of the guidelines with respect to their relevance, completeness, reliability, neutrality and understandability, with due consideration of industry best practices, where appropriate;  
- we verified that the statement includes each category of social and environmental information set out in article L. 225 102 1 III;  
- we verified that the statement provides the Information required under article R. 225-105 II of the French Commercial Code, where relevant with respect to the principal risks, and includes, where applicable, an explanation for the absence of the Information required under article L. 225-102-1 III, paragraph 2 of the French Commercial Code;  
- we verified that the statement presents the business model and a description of principal risks associated with all the consolidated entities' activities, including where relevant and proportionate, the risks associated with their business relationships, their products or services, as well as their policies, measures and the outcomes thereof, including key performance indicators associated to the principal risks;  
- we referred to documentary sources and conducted interviews to:  
◦ assess the process used to identify and confirm the principal risks as well as the consistency of the outcomes, including the key performance indicators used, with respect to the principal risks and the policies presented, and  
◦ corroborate the qualitative information (measures and outcomes) that we considered to be the most important presented in Appendix 1; concerning certain indicators<sup>3</sup>, our work was carried out on the consolidating entity, for the others risks, our work was carried out on the consolidating entity and on a selection of entities;  
- we verified that the statement covers the scope of consolidation, i.e., all the consolidated entities in accordance with article L. 233-16 of the French Commercial Code within the limitations set out in the statement;  
- we obtained an understanding of internal control and risk management procedures the entity has put in place and assessed the data collection process to ensure the completeness and fairness of the information;  
- for the key performance indicators and other quantitative outcomes that we considered to be the most important presented in appendix 1, we implemented:  
◦ analytical procedures to verify the proper consolidation of the data collected and the consistency of any changes in those data  
◦ tests of details, using sampling techniques, in order to verify the proper application of the definitions and procedures and reconcile the data with the supporting documents. This work was carried out on a selection of contributing entities<sup>4</sup> and covers between 10% and 100% of the consolidated data relating to the key performance indicators and outcomes selected for these tests;  
- we assessed the overall consistency of the statement based on our knowledge of all the consolidated entities.  
The procedures performed for a limited assurance engagement are less extensive than those required for a reasonable assurance engagement performed in accordance with the professional doctrine of the Compagnie nationale des commissaires aux comptes. Indeed, the procedures performed for reasonable assurance required more comprehensive verification work.

The Independent Third-Party body,

mazars  
Paris La Défense, 25 may 2024

Isabelle MASSA  
Partner

Edwige REY  
CSR & Sustainable Development Partner

1. List detailed in Appendix 1.  
2. ISAE 3000 - Assurance engagements other than audits or reviews of historical financial information.  
3. Results of the Decathlon Teammates Barometer, number of reports received in Whispli, Scope 3 CO<sub>2</sub> emissions (international transport), internationalisation of top management, percentage of women in top management and share of circular sales.  
4. France, Switzerland, Taiwan, Sri Lanka, Mainland China, Italy, Germany, Spain.

Appendix 1: Information considered to be the most important

Qualitative information (actions and results) relating to the main risks:

- Destruction of overstocks
  - Employee health and safety
  - Customer health and safety
  - Anti-corruption and ethics
  - Duty of vigilance
- Taxonomy
  - Diversity and inclusion
  - Raw materials from less impactful sources
  - Cybersecurity
  - Waste management

Quantitative information including key performance indicators:

(√) Information reviewed in reasonable insurance.

| Social information                                                                                   | Entities audited                                                   |
|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------|
| Headcount at 31/12/2023                                                                              | France, Switzerland, Taiwan                                        |
| Percentage of permanent contract employees                                                           |                                                                    |
| Percentage of employees who have had at least 3 hours of training over the last 2 years              |                                                                    |
| Percentage of employees who are shareholders                                                         |                                                                    |
| Number of accidents resulting in sick leave                                                          |                                                                    |
| Frequency rate of accidents resulting in sick leave                                                  |                                                                    |
| Percentage of women in key positions                                                                 |                                                                    |
| Number of working hours                                                                              | France, Switzerland, Taiwan, Mainland China                        |
| Results of Decathlon Teammates Barometer                                                             | Group                                                              |
| Internationalisation of top management                                                               |                                                                    |
| Percentage of women in the top management                                                            |                                                                    |
| Environmental information                                                                            | Entities audited                                                   |
| Scope 3 CO <sub>2</sub> emissions (warehouse-to-warehouse transport & warehouse-to-store transport)  | France, Switzerland, Taiwan                                        |
| Rate of waste recycling                                                                              |                                                                    |
| Share of revenues from circular economy activities (second life, workshops, rental) √                |                                                                    |
| Share of renewable electricity consumed at Group sites (reviewed during the Q3)                      | France, Taiwan, Sri Lanka                                          |
| Scope 1 and 2 CO <sub>2</sub> emissions - market-based and location-based √ (reviewed during the Q3) | France, Switzerland, Taiwan, Mainland China, Germany, Italy, Spain |
| Energy consumption by square metre (reviewed during the Q3)                                          |                                                                    |
| Percentage of sales generated by products that have benefited from an eco-design approach            | - Nature Hiking<br>- Swimming<br>- Winter Sports                   |
| Scope 3 CO <sub>2</sub> emissions (international transport)                                          | Group                                                              |
| Societal information                                                                                 | Entities audited                                                   |
| % ABC RHP (reviewed during the Q3)                                                                   | France, Taiwan, Sri Lanka                                          |
| % ABC environmental suppliers (reviewed during the Q3)                                               |                                                                    |
| Average score for customer reviews (reviewed during the Q3)                                          |                                                                    |
| Return rate per million (reviewed during the Q3)                                                     | France, Switzerland, Taiwan                                        |
| Number of reports received on Whispli                                                                |                                                                    |

GLOSSARY

ABBREVIATIONS

|         |                                                                                                                              |
|---------|------------------------------------------------------------------------------------------------------------------------------|
| ADEME   | Agence de la transition écologique (The French Agency for Ecological Transition)                                             |
| AFIR    | Association familiale d'investisseurs responsables (Family Association of Responsible Investors)                             |
| AFM     | Association familiale Mulliez (Mulliez Family Association)                                                                   |
| AFPA    | Agence nationale pour la formation professionnelle des adultes (French National Association for Adult Professional Training) |
| Bn      | Billion                                                                                                                      |
| CDP     | Carbon Disclosure Project                                                                                                    |
| COP     | Conference of Parties                                                                                                        |
| CSR     | Corporate Social Responsibility                                                                                              |
| CSRD    | Corporate Sustainability Reporting Directive                                                                                 |
| Ctn     | Container                                                                                                                    |
| DTB     | Decathlon Teammates Barometer                                                                                                |
| EPR SLG | Extended Producer Responsibility for Sports and Leisure Goods                                                                |
| ESG     | Environmental, Social and Governance                                                                                         |
| FSC     | Forest Stewardship Council                                                                                                   |
| GBS     | Global Biodiversity Score®                                                                                                   |
| GDPR    | General Data Protection Regulation                                                                                           |
| GHG     | Greenhouse gas                                                                                                               |
| HR      | Human Resources                                                                                                              |
| HRP     | Human responsibility in production                                                                                           |
| ILO     | International Labour Organisation                                                                                            |
| IOM     | International Organisation for Migration                                                                                     |
| IPBE    | Intergovernmental Science-Policy Platform on Biodiversity and Ecosystem Services                                             |
| IPCC    | Intergovernmental Panel on Climate Change                                                                                    |
| LCA     | Life cycle analysis                                                                                                          |
| LGBTQI+ | Lesbian, gay, bisexual, transgender, queer, intersex, asexual and more                                                       |
| NFRD    | Non-Financial Reporting Declaration                                                                                          |
| NZI     | Net Zero Initiative                                                                                                          |
| NGO     | Non-Governmental Organisation                                                                                                |
| OECD    | Organisation for Economic Co-operation and Development                                                                       |
| OIB     | Other international brands                                                                                                   |
| OPM-SD  | Operational Process Manager in Sustainable Development                                                                       |
| PEF     | Product Environmental Footprint                                                                                              |
| PEFC    | Programme for the Endorsement of Forest Certification                                                                        |
| PPA     | Power Purchase Agreement                                                                                                     |
| PSR     | Psychosocial risks                                                                                                           |
| QWLWC   | Quality of Work Life and Working Conditions                                                                                  |
| R&D     | Research and Development                                                                                                     |
| RFID    | Radio Frequency Identification                                                                                               |
| RPM     | Returns per million                                                                                                          |
| SBTi    | Science Based Target Initiative                                                                                              |
| UN      | United Nations                                                                                                               |
| UNFCCC  | United Nations Framework Convention on Climate Change                                                                        |
| ZDHC    | Zero Discharge of Hazardous Chemicals                                                                                        |

DEFINITIONS

**Circular sales:** Sales generated with second life products, rentals, and repairs.

**Sales of products created benefitting from an ecodesign approach:** Sales generated from products designed to have a reduced environmental impact while maintaining their qualities of use.

**Decathlon** refers to the entity Decathlon S.E. and all its subsidiaries. The expression "Decathlon Group" (or the Group) may also be used to refer to the same scope.

**Rank 1 suppliers** are bound contractually to a company within the Decathlon group for the production or assembly of finished and semi-finished products (via a manufacturing agreement), or for the supply of raw materials or components (via a purchasing agreement); they receive purchase orders from the aforesaid company, which they invoice directly.

**Rank 2 suppliers** contribute to the value chain of Decathlon products. They have a direct commercial relationship with Rank 1 suppliers, with whom they organise and manage the purchase orders and invoicing. Decathlon reserves the right to intervene in the selection or approval of these Rank 2 suppliers, though without interfering in the commercial and legal relationship between Rank 1 and Rank 2 suppliers.

**Marketplace:** Decathlon's digital sales site offering products from third-party vendors.

**Decathlon own brand:** An own brand is an exclusive brand of Decathlon, distributed throughout its sales network (stores, franchises, B2B, etc.). Own brands are also called "Decathlon brands", "Signed Sports" or "Passion Sports", representing all the products designed, produced and sold by Decathlon. An own brand can also be the "brand name" when the products bear the Decathlon name.

**Sports & Processes:** Teams responsible for the company's various sports (eg. Quechua for hiking, B'Twin for cycling, Tribord for sailing, etc.) and the industrial processes related to the manufacture of Decathlon products (textiles, metals, bikes, etc.).

**Top management** includes the company's key executives, such as members of the Executive committee and the CEO's direct team, as well as the hierarchical leaders of the various departments, such as the value chain, sports and products, retail and digital. It also includes strategic positions deemed essential by the sectors concerned. These strategic positions can be reconsidered as the company's needs evolve.

UNITS OF MEASUREMENT

|                    |                                     |
|--------------------|-------------------------------------|
| €                  | euro                                |
| CO <sub>2</sub>    | carbon dioxide                      |
| CO <sub>2</sub> e  | carbon dioxide equivalent           |
| g                  | gram                                |
| kg                 | kilogram                            |
| km                 | kilometre                           |
| km <sup>2</sup>    | square kilometre                    |
| km <sup>2</sup> e  | square kilometre equivalent         |
| kWh                | kilowatt hour                       |
| kWh/m <sup>2</sup> | kilowatt hour per square metre      |
| m <sup>2</sup>     | square metre                        |
| m <sup>3</sup>     | cubic metre                         |
| t                  | tonne                               |
| tCO <sub>2</sub> e | tonne of CO <sub>2</sub> equivalent |

# PUBLICATION ECOSYSTEM



### Visit the website: [sustainability.decathlon.com](https://sustainability.decathlon.com)

This site contains all of Decathlon's commitments and actions **to make its activities compatible with planetary boundaries.**



### 2023 Non-Financial Reporting Declaration

This sustainability report is the annual reflection **of the actions taken by Decathlon's teammates to limit the company's impact on the environment and to create value for its internal and external stakeholders.**



### 2023 Vigilance Plan

This report is public and accessible to all; it covers all of the company's responsibilities along its value chain and towards its third parties. It presents a mapping of environmental and human rights risks, action plans to prevent them and the functioning of the alert system.



### Materiality assessment

This mapping, **based on listening to Decathlon's internal and external stakeholders,** ensures the correct allocation of resources and the prioritisation.



# ACKNOWLEDGMENTS

**Decathlon would like to thank everyone who has helped to produce this 2023 Non-Financial Reporting Declaration:**

- **The many internal contributors throughout the world**, for their involvement in the process of collecting information on their actions and strategies, as well as their follow-up and performance indicators.
- **The external stakeholders:** customers and users, partners and organisations that were willing to report on their experiences and commitments alongside Decathlon.
- Particularly for 2023, **the Decathlon teams** that audited their data in Germany, Italy, Mainland China, Spain, France, Italy, Switzerland, Sri Lanka and Taiwan.
- **The members of the internal proofreading and validation committees:**  
Barbara Martin Coppola, Sandra Arnaud, Stéphanie Bailly, Ghita Benkirane-Souflet, Sarah Bennani, Kristy Binda, Paul-Hervé Bloch, Claire Blondel, Vianney Burucoa, Jon Calvo, Olivier Champion, Sophie Criquelion, Anne Cocquerelle, Wilfried Cornet, Pierre Fahy, Christian Fruleux, Laurence Fontinoy, Eric Fortune, Arnaud Fossard, Mathilde Defrenne, Raffaele Duby, Florent Guieu, Isabelle Guyader, Jean-Pierre Haemmerlein, Soundous Hassouni, Stéphane Jock, Nicoletta Latorre, Virginie Le Bail, Tristan Louis, Jeanne Markatsch, Dolène Maridet, Yérin Mbodj, Frédéric Mô, Emmanuelle Muller, Faustino Rabasot, Florent Rabouin, Clément Salmon, Lou Schröder, Mehdy Sueur, Philippine Tamic, Marie-Dominique Théodore, Chloé Tissot, Olivier Touche et Noémie Wallaert.
- **The editorial team:**  
Anne Desormais, Yann Lefebvre, Julia Simon et Caroline Tiberghien.
- **The reporting team:** Julien Beillier, Rahel Damamme, Julien Gruet, Marie Montiel, Antoine Renard, Pierre-Louis Robert, Marie-Dominique Théodore.
- **Philippe Cornet Conseil**, Non-financial reporting expert, in partnership with AFNOR Compétences.
- **Cédric Delaporte**, freelance graphic designer, CD GRAPHIC.

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**Graphic design and production:** CD GRAPHIC

**English translation:** Nord Traduction

**Editorial secretariat:** Vscript

**Printing:** Nord'Imprim

**Photo credits:** Decathlon Communications Department, stock.adobe.com, freepik.com.



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