

## **Decathlon response to Clean Clothes Campaign reports**

*Business & Human Rights Resource Centre invited Decathlon to respond to the following reports:*

– “Report finds ‘Made in Europe’ label tied to garment and shoe production in European sweatshops”, *Clean Clothes Campaign*, 9 November 2017:

<https://cleanclothes.org/news/2017/11/09/report-finds-2018made-in-europe2019-label-tied-to-garment-and-shoe-production-in-european-sweatshops>

– “Europe’s sweatshops: The results of CCC’s most recent researches in Central, East and South East Europe”, *Clean Clothes Campaign*, 17 November 2017:

<https://cleanclothes.org/livingwage/europe/europes-sweatshops>

*In response, Decathlon sent the following statement:*

Dear Ella and Christen

First of all, I would like to thank you for your interest in our company and our products. Please find the following in response to your questions.

In 2003, in order to better collaborate with our suppliers, we have defined a Code of Conduct that have been signed by all Rank 1 suppliers (finished products, components) and some strategic Rank 2 suppliers.

Our Code of Conduct is based on the fundamental principles of the Universal Declaration of Human Rights, the fundamental conventions of the International Labor Organization, and the SA 8000 standard of social responsibility. It defines our requirements regarding working conditions, in particular the prohibition of forced labor, child labor, abusive disciplinary practices and respect for working hours and fair salary. This Code of Conduct has been updated recently in 2017 to add or to precise new stakes as responsible raw materials, environmental topics, chemicals management.... You can discover it in our website. This new release is in progress of deployment.

<http://sustainability.decathlon.com/media-reports/documents/>

The Code of Conduct is signed and the subcontractor’s evaluation on the requirements of this charter is performed on site before starting any business relationship.

If the results of the evaluation are not satisfactory with regard to our requirements, the opening of the business relationship cannot be concluded. The frequency of evaluations is based on:

- the level of requirements of local regulations.
- the means implemented by States to ensure its application.
- the level of performance of the subcontractor (the less working conditions are satisfactory, the more frequency increases).

These evaluations are carried out for the majority (73% in 2016) by thirty locally recruited Decathlon experts, who are relevant in the risk analysis of their country.

Then, and on the implementation of the action plans and the animation of this approach, they are accompanied by more than 1600 Decathlon employees who control the follow-up of the production in the factories.

This Human Responsibility in Production approach allows us to rigorously select our supplier panel, to continuously improve working conditions but also to detect unacceptable situations, which can lead to production stoppages. It is the same approach in all our production basins, including Eastern Europe where we work today with fifty different sites.

One of the main concerns of our charter is the fair compensation of the people working at our suppliers. Indeed, during the aforementioned evaluations, we make sure that the salary defined by the local authorities with all its components (minimum wage, overtime payment, social security system, paid leave ...) is well respected. We also make sure that there are transparent and fair bonus systems linked to collective and individual performance, in all the countries of production where we are present.

If you wish to discover the other actions that we lead in favor of Sustainable Development, I invite you to consult our report of Sustainable Development available in French and English on our website

<http://sustainability.decathlon.com/>

Yours Faithfully

Soundous HASSOUNI, Leader HRP for Decathlon

Isabelle GUYADER Leader Sustainability for Decathlon